JPRS 76334

29 August 1980

South and East Asia Report

No. 917

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CONGRESS (I) APPROVES CANDIDATES FOR UPPER HOUSE

New Delhi PATRIOT in English 22 Jun 80 pp 1, 5

[Text] Minister of State for Parliamentary Affairs Sitaram Kesri former Rajya Sabha Deputy Chairman Ram Niwas Mirdha, Congress-I general secretaries S. S. Mahapatra and Ram Sevak Chaudhury and joint secretary Kalp Nath Rai are among the list of candidates approved by the Congress-I Parliamentary Board for Rajya Sabha on Saturday night.

Former Union Minister Dinesh Singh, who recently quit the Janata Party, also has been selected to fight the Rajya Sabha poll from UP. However, he has been allowed to contest a byelection from the State. This means his tenure will be just two years if he wins.

Others who figure in the list are Mrs Pramilatai Chavan from Maharashtra, Mrs Maimoona Sultana and Mr N. K. Dutt from Madhya Pradesh, Mr Pyare Lal Kureel Talib, Mr Khurshid Alam Khan and Maulana Azad Madani from UP. Two PCC presidents accommodated in the list are UP's Dharamveer and Maharashtra's Mrs Chavan.

Among those who failed to get ticket is Mr Yashpal Kapoor, who retired from the Rajya Sabha two years back.

The CPB, which met on Friday and Saturday decided to field 30 candidates for 45 seats which fell vacant on 2 April. Fifteen seats from eight states--Bihar, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamilnadu and Uttar Pradesh where biennial elections are scheduled will go to opposition parties.

It also chose candidates for State legislative councils of Bihar, UP, Maharashtra and Tamilnadu.

The following is the list of candidates finalised by the parliamentary board.

Bihar: Mr Sitaram Kesari, Mr Ram Bhagat Paswan, Mrs Manorama Pandey, Mr Ram Chandra Bhardwaj.

Madhya Pradesh: Mrs Malmoona Sultan, Mr J. K. Jain, Mr N. K. Bhatt, Mr Parveen Kumar Prajapati and Mr Rajendra Singh.

Maharashtra: Mrs Pramilabai Chavan, Mr Nijima Heftulla, Mr Seon De'Souza, Mr J. S. Atre, and Mr Murli Bhandare.

Tamilnadu: Mr M. S. Ramachandran, trade union leader.

Orissa: Mr Shyam Sunder Mahapatra, Mr A. K. Panda, and Mr Jagdish Jani.

Uttar Pradesh: Mr Kalp Nath Rai, Mr Pyarelal Kureel 'Talib.' Mr Ram Sevak Chaudhary, Mr Khurshid Alan Khan, Mr Sudhakar Pandey, Mr Rudra Pratap Singh, Mr Sibta Rizvi, Mr Dharam Bir, Maulana Asad Madani. By election: Mr Dinesh Singh, Mr Narsingh Narain Pandey, Mr P. P. Shukul.

Punjab: Mr Harbinder Singh Hanspal; Rajasthan: Mr Ram Niwas Mirdha, Maulana Isral Haque and Mr Dhuleshwar Meena.

The Board selected the following candidates for the coming biennial elections to various State Legislative Councils:

Bihar: Mr Purshottam Prasad Singh, Mrs Rajeshwari Saroj Das, Mr Raj Kishore Prasad, Mr Sarjoo Prasad Upadhyay, Mr Awdhesh Kumar Singh, Mr Surendra Nath Sharma, Khalid Rasheed Sabha; Maharashtra: Mrs Aloo Chhibbar, Mrs Yagnik, Mr Jaintrao Tilak, Mr Harender Tirke, Mr Rikabchand Sharma, Mr Pramod Navalkar, Mr Sudhir Joshi; Tamilnadu: Mr A. J. Doss.

Uttar Pradesh: Mr Padma Seth, Mr Mahirudhwaj Singh, Mr Satya Sud, Sardar Mahindra Singh, Mr Raj Pal Tyagi, Mr Chandra Shekhar Chaurasia, Mr Ashraf Ali Ashrafi, Mr Mahabir Rana, Mr Mata Prasad, Mr Kunwar Mahendra Singh.

CSO: 4220

OPPOSITION SCORES ANNOUNCEMENT OF PRESS PANEL

Calcutta THE STATESMAN in English 21 Jun 80 p 9

[Text] New Delhi, June 20.--The announcement of the reconstituted Press Commission, while Parliament was in session, was objected to the Opposition members in both the Houses today. [as published]

The assurance of the Information and Broadcasting Minister, Mr Vasant Sathe that there was absolutely no desire on his part to bypass Parliament since he valued both its conventions as well as its dignity, did not appear to appease the members.

Both Dr Madhu Dandavate (JP) in the Lok Sabha and Mr L.K. Advani (BJP) in the Rajya Sabha said whether the Minister agreed or not the question involved was one of propriety.

Mr Dandavate said that in a similar incident in the fifth Lok Sabha, the Speaker had held it to be a matter of impropriety that a Minister should make statements on policy issues outside the House when Parliament was in session. There were angry exchanges between the member and the Minister.

Mr Sathe: "I have not committed any illegality."

Mr Dandavate: "I don't care if the Minister agrees, but the question is one of propriety."

In a written statement, Mr Sathe said that for some time some names of the commission had been appearing in the Press. The names had to be duly notified under the rules so that they could be validly published. Hence the notification of the names of the new members was made on June 18.

Mr Sathe said that the Government had accepted the resignations submitted by the former Chairman and members of the Press Commission in January and had announced that the commission would be reconstituted with revised and more comprehensive terms of reference.

In the Rajya Sabha, the CPI leader, Mr Bhupesh Gupta, demanded a discussion on the issue and wondered why the Opposition was not consulted. It was interesting that the composition of the commission had been announced without the terms of reference.

During zero hour, the CPI-M member in the Lok Sabha, Mr Jyotirmoy Bosu, wanted to know why the sectional and institutional organizations were not represented on the Press Commission. He pointed out none of the journalists' organizations had found a place in the commission. Mr Bosu felt that the delay in drafting the terms of reference was because of some political reasons.

The names of the chairman and members of the commission are: Mr Justice K.K. Mathew (chairman), Mr Justice Sisir Kumar Mukherjee, Mrs Amrita Pritam, Mr P.V. Gadgil, Mr Ishrat Ali Siddiqui, Mr Rajendra Mathur, Mr Girilal Jain, Mr K.R. Ganesh, Mr Madan Bhatia, Mr H.K. Paranjape and Mr Ranbir Singh.

In the Rajya Sabha, Mr Adyahi rose after the Minister had read out a statement listing the names of members of the Press Commission. He said there was something "curious" about the whole thing. He expected that the Government would have the grace to admit its lapse.

Mr Sathe objected to the discussion raised by Mr Advani, wondering whether the Rajya Sabha rules permitted it. Mr Dinesh Goswami, who was in the chair, ruled that no discussion would be allowed.

CSO: 4220

WRITER ANALYZES ELECTION RESULTS IN BIHAR

Bombay THE TIMES OF INDIA in English 22 Jun 80 p 11

[Article by Janak Singh]

[Text] Patna, June 21.

A 10.61-percent increase in the Congress (I) vote from the 23.53 percent it polled in the 1977 assembly elections has enabled the party to win 167 seats in the Bihar vidhan sabha. Yet the party's performance is by no means spectacular.

In fact, over the past five months party's vote has fallen from 36.44 percent in the January Lok Sabha election to 34.14 percent in the recent assembly poll.

14 Lose Deposits

The increase in the Congress(I) vote by itself could not enable it to gain the small majority it has in the 324-member house. Actually, the Congress (I) has to thank the division of the opposition vote for emerging as the winner in the recent poll.

The party could poll more than the combined vote of the opposition (Congress-U, Janata, Lok Dal) only in about 100 constituencies.

A study of the constituency-wise results shows that in many constituencies where the Congress(I) lost, the party candidates polled a sizable number of votes. In Kadwa, the Congress (I) nominee, Mr Usman Ghani, was beaten by what probably the lowest margin of 30 votes by an independent Mr Mangan Insan.

Nevertheless Congress (I) candidates forfeited deposits in at least 14 constituencies, including Jamalpur, Barkagaon, Ichagarh and Siwan. The party had the distinction of having its nominees elected from all the 31 districts in Bihar, though, in some districts, like Dhanbad, it could win no more than two seats.

No other party—not even the Lok Dal, which, with 42 seats, has emerged second in the race—could get its nominees elected from all districts.

The Congress(I) also succeeded in capturing 29 out of the 46 scheduled caste seats. A more noteworthy achievement was the dent it made in what had hitherto recognised as the erstwhile Jana Sangh (now BJP) stronghold in the Chhotanagpur belt. [as published]

The party won 12 of the 14 seats in Ranchi district and 18 out of 82 seats in the entire Chhotanagpur region or tribal areas. The BJP could retain only 11 seats there.

Leaders Defeated

The Congress(I), however, had to suffer the humiliation of the defeat of several important leaders, including Mr Vidyakar Kavi, former minister, Mr Ramashrel Prasad Singh, secretary of the PCC (I), Mr Nawal Kishore Singh, former ch irman of the Patna Urban Bank. Mr Tapeswar Deo, a veteran Congress(I) leader of Hazaribagh, was beaten in what was considered a safe constituency for the party.

The Congress(I) can derive comfort from the fact that its performance in the recent poll, if not better, is no worse than that in the past in the caste-ridden state.

The performance of the Lok Dal, which polled 15.54 percent votes against the 16.58 percent it secured in the January Lok Sabha poll, was worse. The party had fielded candidates in all constituencies, but was completely wiped out in West Champaran, Gopalganj, Katihar, Santhal Parganas, Bhagalpur and several other districts.

More than 41 candidates fielded by the party forfeited their deposits. Besides, several party stalwarts, including Mr Kapildeo Singh, Mr Sachidanand Singh and Mrs Sumitra Devi, were defeated.

As only three out of the 42 Lok Dal MLAs belong to the upper castes, it is now more than ever before identified with the backward classes.

The strength of the Janata party, which polled 7.40 percent of the votes, had been reduced from 60 seats in the dissolved assembly to 13. Even these candidates had won on their own strength and not because of the party label.

The BJP, which won 22 seats and polled 8.54 percent votes, had the mortification of having the largest number of security deposits forfeited. In more than 100 constituencies, the party's candidates lost deposits.

The biggest humiliation suffered by the party was the defeat of the state unit's president, Mr Kailashpati Mishra, former finance minister, from the Bikram constituency. Several other former ministers fielded by the party had to bite the dust.

The parties, which have improved their position in the vidhan sabha poll are the CPI (23), the CPM (six) and the Jharkhand Mukti Morcha (13).

CSO: 4220

MP NOTES BID FOR ONE-PARTY RULE IN KERALA

Madras THE HINDU in English 21 Jun 80 p 9

[Text]

TRIVANDRUM June 20.

Dr. Bhai Mahavir, MP one of the members of the three-man delegation deputed by the Bharatiya Janata Party to make an on-the-spot study of the marxist-RSS clashes in Kerala said here today that the CPI(M) and the police in the State appeared to have decided to create a situation where only the CPI(M) workers could live and survive.

Non-allegiance to the CPI(M) had become some sort of an unwritten offence Dr Mahavir, who is also a member of the national executive of the BJP, told a news conference.

The three-member team led by Dr. Ram Jethmalani, MP included Mr. Jana Krishnamurthi, all India secretary of the party. The team visited a number of places from Kasaragod in the north to Ernakulam and received "no end representations from the victims of CPI(M) attacks.

"If there is any truth in these statements, it means one-party rule or one-party system is sought to be introduced here. Some sort of a political serfdom is sought to be set up" Dr Mahavir said. The CPI (M) should not pursue a policy which would affect whatever coordination was possible among the Opposition ranks at the national level, he said.

The delegation also met the Home Minister, Mr T K Ramakrishnan, when it suggested the constitution of "peace committees" in trouble spots Mr Ramakrishnan agreed with this suggestion.

In Trichur district the team visited two Harijan colonies. In one of these at Punnayur near Guruvayur, it was informed that women and children were attacked by the CPI(M) workers with swords and daggers. Even infants were not spared. The huts of the poor people were burnt and the utensils in the dwelling places were damaged.

At Vadanappilli in Nattika, also in the same district, about 8 RSS fishermen fled from the area following attacks. Damage to the tune of Rs. 1.5 lakhs was caused.

The only reason for these developments was that these people who were earlier in the CPI(M) camp shifted their allegiance to "our side" Dr. Mahavir contended.

Referring to the instances in and around Tellicherry, he said, a group of people, attacked a house where a Congress(I) worker lived. Even though he was lame, he was not spared and he was beaten. In Pathur, country-made bombs were thrown at two party workers of whom one died on the spot. Rajamma mother of a milk vendor was attacked in her house in Tellicherry with sword. When her son Balan went to the hospital to see her, he was also assaulted. The police intervened but took no further action against the culprits according to the complaints received.

A similar incident took place in Trivandrum too where there was a CPI(M)-RSS clash recently. On May 27 CPI(M) workers attacked some people in the Pazhayakada branch of the RSS and half a dozen people were injured. The assailants were identified and brought to the police station, but they were let off "following directions issued over telephone from above". After nearly three weeks a case was registered. Some persons were arrested and kept in unlawful custody.

When the delegation met him, the Home Minister contended that the CPI(M) workers had acted only in retaliation. To a question Dr Mahavir replied the RSS had not taken the initiative. In Kerala there were about 1,500 branches of the RSS and the incidents took place only in centres where the RSS was weak, but was strengthening its hold.

CSO: 8220

RULING PARTY CREATING TENSION IN KASHMIR

Islamabad THE MUSLIM in English 4 Aug 80 p 8

[Text]

SIALKOT, Aug. 3: Abdul Ghani Lone Chairman, People's Conference of Occupied Kashmir State has accused National Conference of the ruling party in the Occupied Kashmir State of being responsible of the incident occurred in Srinagar on July 26 and to create tension and disturbance all over the State during the consecutive period of the incident.

According to the Radio Srinagar, Mr. Lone who was arrested in Srinagar on Aug. 1 along with his about 600 party workers, was addressing a Press conference in Srinagar soon after his release from detention yesterday. He said the communal elements and the enemies of the Kashmir State are always in search of such opportunity to start their subversive activities.

The People's Conference Chief charged that some circles are attempting to play down the Srinagar incident and are taking no serious notice of the facts and concealing them from the eyes of the public. He condemned the attitude on part of such circles.

The radio report revealed that the heads of different political parties in Occupied Kashmir State are against the arrests of political workers and described this action as an anti-democratic action taken by the Government of Sheikh Muhammad Abdullah.

Maulvi Farooq, Chairman of Awami Action Committee of the State, Maulvi Muhammad Farooque yesterday charged the State Government for arresting the workers of his party without any reason and said the State Government is responsible for harassment and fear prevalent among the people now-a-days.

The report added that Jamaat Islami of Occupied Kashmir has also condemned the arrest of political parties workers and described the arrests as a "dirty game". -PPI

CSO: 4220

REIGN OF TERROR IN KASHMIR

Islamabad THE MUSLIM in English 3 Aug 80 p 4

[Editorial]

[Text] WHILE the 10-month long crisis over the issue of foreign nationals in India's eastern States of Assam, Manipur and Tripura, which has taken a heavy toll of life running into thousands, still remains to be finally resolved, despite New Delhi's offer of concessions for resumption of dialogue which are said to be under close study by the Assam Students Union leaders, serious trouble has erupted in occupied Kashmir. Soon after a statement made by Sheikh Abdullah, Chief Minister of the disputed State, in the course of a speech in Srinagar on July 13 that Kashmiris would not accept a position of servility to either India or Pakistan, he was summoned to New Delhi and perhaps upbraided for equating India and Pakistan. Addressing a Press conference in the Indian capital on July 23, immediately after his meeting with Mrs. Gandhi, the Sheikh blamed Indian newspapers for giving his speech an out-of-context display to make him look as one who was going back on his pledges made to India. He also claimed that he was being meted out the same treatment of a traitor as in 1953 which had resulted in his protracted incarceration for 20 years.

The furore raised by Indian leaders over the mention of Kashmir by Pakistan's Foreign Minister Agha Shahi during his recent official visit to New Delhi, and the assertion by India's top leadership that the State of Jammu and Kashmir was an integral part of India and a settled issue, while it still remains a disputed territory, has evoked a strong reaction among the preponderantly Muslim inhabitants of the State who account for 80 per cent of its population. The wave of indignation which swept across the valley was manifest from the fiery speeches delivered in Srinagar on Sunday last. The imprudent and provocative stance adopted by the Union government in the face of the Simla Agreement, wherein it was clearly stipulated that after normalisation of relations between India and Pakistan the two countries would reopen a dialogue to arrive at an amicable arrangement to settle the Kashmir issue, was bound to create the situation that has now arisen.

New Delhi, which is prone to resort to strong arm methods to quell disturbances, deployed its security forces in Srinagar which led to clashes between them and the infuriated civilian population. The induction of the army on the night of July 28 further complicated the situation, and when the soldiers went on the rampage setting fire to vehicles belonging to the people and plundering their shops, mass demonstrations became inevitable. Police and the armed forces opened fire on peaceful processions and six persons were killed on July 28. Hundreds of people have so far been arrested in the trouble-ridden State. But despite these drastic measures and brazen high-handedness of the police and the army and the wide-spread arson resulting in the destruction of private property worth crores of rupees, there has been no let up in the confrontation between the people and the State forces. Protest rallies, strikes and mounting violence have rocked Srinagar. Troop reinforcements were hastily despatched by the Central government, but except for adding to the number of casualties they have not been able to stem the tide of popular resistance.

Although Sheikh Abdullah had on July 28 said that political dissidents, particularly the Congress(I), were attempting to overthrow his democratically elected government by creating a serious law and order situation, the Indian Prime Minister has on Friday called upon the Congress(I) workers in New Delhi to help restore normalcy in Srinagar where several persons have been killed in violent clashes between civilians and the security forces. The Party is known to have well-organised bands of toughs. Mrs. Gandhi's call, which has the ring of an edict, will make gangs of the party hooligans proceed post-haste to Srinagar and butcher innocent Muslims in the capital. It is time such reign of terror was stopped. That is the only dictate of sanity."

The responsibility for the explosive situation now prevailing in occupied Kashmir lies squarely on the Union government's leadership and the Indian Press. The spate of acrid editorials and commentative reports, inspired or spontaneous, which appeared in Indian newspapers on the mention of Kashmir by Agha Shahi sound more like the cantankerous outbursts of unsporting players on a playground. Pakistan's Foreign Minister was well within his right to raise the issue of Kashmir since the process of normalisation of relations between the two countries (which was a condition precedent to the re-opening of talks on Kashmir) has proceeded unhampered. Diplomatic relations have been established and missions opened in both countries. Rail and air links have been restored and trade between Pakistan and India resumed. The Sallal Dam issue, too, has been amicably settled. Consequently the uproar in New Delhi and the hullabaloo raised by the Indian Press can only be construed as an attempt to scuttle the Simla Agreement. Viewed in this perspective the resentment shown by the Kashmiris is fully justified. Mrs. Gandhi, a seasoned politician whose statesmanship is unquestionable, should know the verdict of history that no people can be kept under subjugation for all times at the point of the bayonet.

CSO: 4220

PLANNED AID TO NEIGHBORING COUNTRIES RELATED

New Delhi PATRIOT in English 20 Jun 80 p 3

[Text] India will provide economic and technical assistance worth Rs 53.42 crores to three neighbouring countries--Bangladesh, Bhutan and Nepal--during 1980-81 reports UNI.

Provision has been made for this purpose, in the revised estimates of the budget for the Ministry of External Affairs.

Bangladesh will receive Rs 1.61 crores, Bhutan Rs 34.06 crores, and Nepal Rs 17.50 crores. In addition India will spend Rs 15.21 lakhs during the same period on the India cooperation mission in Nepal.

About Rs 8.50 crores have been set apart for technical and economic cooperation with developing countries.

India has agreed to provide assistance to Nepal for the construction of the Devighat Hydro-electric project to generate 14,100 KW of power and to carry out survey of the Dolaghat-Dhankuta road, which is expected to be completed in about four years.

The Government of India has also agreed to finance the setting up of three industrial training centre at Nepalganj, Butwal and Hetauda. The revised estimates of 1979-80 has provided Rs 14.48 crores towards aid to Nepal. The budget estimates for 1980-81 include a provision of Rs 17.50 crores on this account.

A provision of Rs 8.50 crores has also been made for technical and economic assistance to several developing countries, including Afghanistan, Burma, Mauritius, Sr Lanka and some African countries.

CSO: 4220

RAO CONCERNED OVER REPORTED BANGLADESH MURDERS

Calcutta THE STATESMAN in English 21 Jun 80 p 9

[Text] New Delhi, June 20.--External Affairs Minister, Mr P.V. Narasimha Rao, expressed concern in the Rajya Sabha today over the reported murder of many prominent citizens of the minority community in Bangladesh during the past year. He admitted that certain "regrettable" incidents involving the minority communities of Bangladesh had come to the notice of the Government of India.

In reply to a question tabled by Mr Kalyan Roy (CPI), the Minister said India had taken up the matter at the highest level as there was danger of refugees coming into India.

But, he pointed out, as these reports concerned the internal affairs of another sovereign State, the Government of India was not in a position to make any comment on them.

At the same time, he explained that it had been conveyed to the Bangladesh leadership that if any group of their citizens, because of cultural or social status, should have a sense of insecurity, it might vitiate the atmosphere of cordiality in "our relations."

Mr Rao said in reply to a supplementary that Bangladesh was still a party to the Nehru-Liaquat pact.

Mr Kalyan Roy said that members of the Chakma tribe in the Chittagong hills had been subjected to repression. In fact, there was a "flight" of Buddhists from the Chittagong region into India to escape repression, he added.

UNI and PTI adds: India has conveyed its concern to the U.S. Government on Washington's intentions to supply arms to Pakistan, Mr Rao told the Rajya Sabha today.

The Chinese Foreign Minister, Mr Huang Hua, is expected to visit India some time later this year to reciprocate the visit made by the former External Affairs Minister Mr A.B. Vajpayee, in 1979, Mr Rao said.

Mr Rao said the Government was contemplating certain measures to check brain drain.

He told Mr Santosh Kumar Shah and others that a proposal to set up a corporation in the public sector for overseas recruitment had been under consideration. A decision on the matter was likely to take some more time.

India has taken up with Afghanistan the question of the missing Indian hockey coach, Chain Singh, Mr Rao informed the Rajya Sabha.

The Minister told Mr Dharamchand Jain in a written reply that the Government had come to know about his disappearance through Press reports which said that Chain Singh had been captured by Afghan rebels.

He said Chain Singh's family was being looked after by the Indian Embassy in Kabul.

Consultations are continuing among the non-aligned countries with regard to the venue, date and agenda for the proposed extraordinary Ministerial-level meeting, Mr Rao told the Rajya Sabha.

CSO: 4220

SEVENTEEN REBELS REPORTED HELD IN MANIPUR

Calcutta THE STATESMAN in English 21 Jun 80 p 9

[Text]

IMPHAL, June 20.—Seventeen members of the outlawed People's Revolutionary Party of Manglelpak have been arrested by the Manipur police and security forces since June 16, reports UNI.

An important PREPAK leader, Mr A Ranjkanta Sharma, and Mr Nelendra Singh, son of the officer in-charge of Sekmai police station, were among the eight members of the underground organization arrested today. While six were arrested from their hideout at Iril Mapan, Mr Sharma and Mr Singh were caught from the insurgency infested Bramahapur area. A .303 rifle 56 rounds of ammunitions and a motorcycle were seized from them. Police and para military forces were now combing the Bramahapur area in search of the insurgents. The remaining nine PREPAK members were arrested from Thanga Hills and Heirok on June 16.

During today's raid on the PREPAK hideout at Iril Mapan, police recovered one 9 mm Chinese automatic pistol, a 38 revolver and a scooter. The recovery of the Chinese made pistol may led to some clues connecting the link of the Manipur insurgents with that country, the sources said.

PTI adds: The Manipur Government today cautioned that no organization other than a Government agency was authorized to identify foreign nationals in the State.

An official Press release, issued following reported action by the All Manipur Students Union and the All Manipuri Students' Coordinating Committee in this regard, said the State Government "has taken action" to identify 'foreigners in Manipur.

The Manipur Government has, meanwhile, urged the Tripura Government to offer protection to Manipuris in that State where "some Manipuri students are reported to have been beaten up'.

CSO: 4220

ALIENATION OF TRIBAL YOUTH IN TRIPURA ALLEGED

Calcutta THE STATESMAN in English 21 Jun 80 pp 1, 16

[Article by Manash Ghosh]

[Text] Agartala, June 20.--The most significant feature in Tripura's politics in recent months has been the alienation of a large number of the tribal youth from the established political parties and their rallying round the banner of the Tripura Upajati Juba Samity to protect tribal interests.

They seem to have come to the conclusion that no other party--the CPI(M), the Congress(I) or Janata--except the TUJS can appreciate the problems and aspirations of the tribals. The benefits of whatever little development that has taken place in the State since its accession, have accrued mainly to non-tribals who have also demographically reduced the tribals, original settlers of the place, into a minority over the years--one-third of the State's population of 1.9 million.

Complaints and deep-seated grievances of the tribal youth, except those lucky few who are in the Indian Administrative and State services, are many. Many qualified tribal youth who have been denied jobs in the State Government are now holding senior posts outside the State. A brilliant tribal science graduate for whom the State Government could find no better job than a low-paid municipal one, is now in a senior position in a Central Government undertaking at Ranchi.

The allegation is that non-tribals secured most of the prized jobs; for the low-paid jobs, the tribals are sidetracked openly. The 29% quota of jobs reserved for tribals in the State Government is not filled on various pleas, one of which is said to be non-availability of suitable candidates for the posts.

Sentiments Hurt

Many talented tribal boys cannot pursue higher studies because of poverty. Those who qualify for Government scholarships get their money so late that

their names are struck off the rolls and their results are withheld. "This is done deliberately to put tribal students into difficulty so that we leave studies in disgust and cannot compete with non-tribals for jobs. But we are not like our forefathers and won't give up our rights without a fight," said a young Riang tribal student of a Shillong college. There have been many incidents which have hurt tribal sentiments badly.

In 1978, about 3,000 Chakma Buddhist tribals fled into Tripura, following their persecution in the neighbouring Chittagong Hill Tracts of Bangladesh. The Government of India forcibly pushed them back into Bangladesh, following which many of them were killed. The tribals said if Tripura could accommodate 1.4 million non-tribal refugees after partition, it could also accommodate such a small number of tribal refugees from Bangladesh, without straining its resources.

Apart from large-scale economic exploitation of tribals by non-tribals, which is much more severe than anywhere else in the country, what has hurt the younger generation most is the massive encroachment by non-tribals on forest land reserved exclusively for the tribals. The exclusive right that they had over 1,760-square miles of reserved forests, which the Tripura Maharaja, by two Acts of 1931 and 1943, had set apart for the tribals, was taken away by the Congress Government in 1974 with the help of a land amendment Act. This enabled non-tribals to encroach on tribal land.

Thoughout their long rule in the State, the Congress Government ignored their interests as well as their constitutional rights. Although the Left Front Government, during its one and a half years' rule has sought to give some benefits to tribals, its efforts have eventually been sabotaged from within and without.

Growing Popularity

The younger generation has found out the "worthlessness" of the established political parties as far as safeguarding the interests of tribals in concerned and this largely explains its inclination towards the TUJS which, by its recent agitations and pledges, has sought to give the impression that it alone can fulfill the aspirations of the tribals.

While the CPI(M) has some young tribal workers in its fold, the Congress (I) is almost bereft of such support. A common feature to be noticed in many politically minded tribal families is that while the fathers who were the first to bring the communist ideology to the State in the early forties and continued to be active workers of CPI and CPI(M) their children are invariably supporters and activists of TUJS.

The Chief Minister admitted erosion in the following of young tribals from his party. None among the 15 CPI(M) MLA's is below 45 years. The Left parties, to many, seems to be losing its appeal to this generation.

The sudden emergence and growing popularity of Mr Bejoy Rankhel, the 29-year-old TUJS leader, was mainly because he was able to tell the youth somewhat convincingly that the promises made by other political parties to improve their lot were a bluff and the only way out for them was to rally round TUJS and work for "our emancipation." It had raised its banner of revolt against injustice and exploitation but unfortunately it turned into a carnage. Whether this was deliberate time alone will tell a TUJS activist said.

To what extent the TUJS has been able to influence the tribal youth can be gauged from the fact that most of those giving up arms to the security forces belong to the 18-35 age group. There are some young jawans belonging to the Army and para-military forces among them. There are even younger people who, though facing starvation, are on the run in the jungles, refusing to give up.

On Thursday, the security force at Mandai waited for five hours for TUJS extremists to come out and surrender arms. On Wednesday, the extremists had sent word that they would surrender in a body, but they did not do so till today. In all tribal refugee camps, young men are conspicuously absent.

Although observers say that the tribal insurgency in Tripura is still in its infancy, it has given enough indication of developing on the lines of the neighbouring Mizoram and Manipur. Many feel that by indulging in a carnage, the TUJS wanted to create conditions conducive for insurgency in the State.

CSO: 4220

MANIPUR INSURGENTS REPORTED TRAINED IN TIBET.

New Delhi PATRIOT in English 22 Jun 80 p 5

[Text]

IMPHAL, June 21 (UNI).

MANIPUR police have found some clues to the training and instructions to the Manipur insurgents in Lhasa (Tibet) following the arrest of Mr Khaidem Milakanta Singh yesterday at Kongba Nandeibam Leikai, near here, according to a reliable source.

The source said police seized some important documents and informations received from the Lhasa-returned top ranking leader of the outlawed Prepak, who was arrested after an exchange of fire with the Manipur police and CRPF.

These are likely to be sent to the Union Home Ministry.

Police recovered 9 MM Chinese gun loaded with eight bullets, a pistol and one fully loaded 0.38 revolver and some incriminating documents.

So far 31 Prepak suspects, including R Khulachandra Singh and Miss Sarbila have been arrested from Mapao Hills. Nine persons were arrested on 18 June from Thanga Hills and Nairia. Ten persons were arrested by the police yesterday.

A PLA member, who had earlier been rehabilitated on voluntarily surrendering arms was arrested from his house at Kongba, five km from here, yesterday on suspicion, adds PTI.

After arresting two Prepak members, the Manipur police raided their hideouts at Iribung, seven km from here and overpowered eight including the owner of the house, Basanta Kumar.

With the capture of these insurgents, army combing operations might not be necessary, according to political observers here.

Manipur police are now carrying out raids on various other hideouts of insurgents and conducting combing operations in some parts of the town.

Meanwhile, the Government has imposed prohibitory orders banning free movement of persons carrying weapons except muzzle-loaders.

The authorities also extended the hours of night curfew. It will now be in force from 9.30 p.m. to 5 a.m till 30 June.

CSO: 4220

MARXIST LEADER SEES 'FOREIGN HAND' IN NORTHEAST

New Delhi PATRIOT in English 22 Jun 80 p 4

[Text]

JULLUNDUR, June 21.

CENTRAL CP-M leader and member of the politburo Harkishan Singh Surjit said here today that there was clear evidence to show that certain foreign powers were interested in promoting maximum instability in north-eastern areas.

Talking to this correspondent, Mr Surjeet said several agents of these powers had already begun inciting secessionist tendencies among the people of north-eastern States.

PLEA FOR CONSENSUS

He, therefore, called upon all the concerned parties and organisations to try to reach a consensus solution to the "foreign nationals" issue. No political party, he said, should overlook this danger and try to utilised the current agitation for its political purposes.

The CP-M leader said the situation in the region was getting more and more serious, and it might at some stage pose a serious hazard to the basic unity and integrity of the nation.

Welcoming all efforts to find out some package formula, Mr Surjit, however, warned that the consensus formula, being evolved as a result of all-party discussions, must include two basic principles. First, no Indian of any State should be described as 'foreigner' in any other State of India Union and the term 'foreigner' should be used only to cover those who had infiltrated from neighbouring country like Bangladesh and had settled in north-eastern States in illicit and unlawful manner.

Secondly, the natural resources, existing in any one State, were the property of the entire country, and no State could be allowed to exercise monopoly control over it.

Any solution, that ignored these two basic principles, might pose, in future, serious dangers to the basic unity and integrity of the nation, Mr Surjit warned.

The CP-M leader also underscored the urgent need to remove imbalances in economic cultural and political development of these areas. Failure to look into this task had led to the present situation in the region.

CSO: 4220

PRESS DETAILS ACTIVITIES OF BULGARIAN VISITOR

New Delhi PATRIOT in English 22 Jun 80 pp 1, 5

[Text] Secretary of the Bulgarian Communist Party's Central Committee Grisha Philipov called on Prime Minister Indira Gandhi on Saturday afternoon and delivered a letter from Bulgaria President Todor Zhivkov expressing the desire to develop long-term Indo-Bulgarian cooperation in scientific, technological and economic fields beyond the traditional framework of bilateral ties.

In his communication, the Bulgarian President underscored the importance Bulgaria attaches to its friendship with India and Indo-Bulgarian relations. He is learnt to have invited Mrs Gandhi to Bulgaria on an official visit, which she accepted in principle.

During 45-minute talks with the Bulgarian leader, Mrs Gandhi recalled her visit to that country in 1976.

During the meeting, Mr Philipov conveyed to Mrs Gandhi Bulgaria's desire to establish long-term economic and commercial relationship with India and set up an Indo-Bulgarian Joint Chamber of Commerce.

He said Bulgaria was well aware of India's potential to manufacture sophisticated machinery and keen to import such non-traditional commodities from India to the maximum possible extent. He felt there was considerable scope for cooperation in production of fertilisers, agro-industries, food and fruit processing, industries, ship-building, chemical plants and electronics.

Mr Philipov further pointed out that Bulgaria was also interested in joint ventures with India in other developing countries.

He said he would take up these matters at the fifth meeting of the Indo-Bulgarian Joint Commission now being held in the Capital.

Mrs Gandhi welcomed the suggestions of Mr Philipov and hoped that his discussions with various Ministers would be successful in further strengthening Indo-Bulgarian relationship in different realms of activity.

Among those present with Mr Philipov during his meeting with Mrs Gandhi was Bulgaria's Minister for Machine building Chakarov.

Mr Philipov also met Union Minister for Planning Narayan Dutt Tiwari and discussed with him the need for exchange of agricultural expertise. The visiting dignitary assured India of Bulgaria's cooperation in building up the country's economy and offered assistance in setting up plants for processing juice products and deep freeze plants for preservation of fruit products.

On Friday night, speaking at a dinner hosted by External Affairs Minister P.V. Narasimha Rao, Mr Philipov, emphasised that the endeavours of the Indian and Bulgarian peoples for advance of their respective countries was taking place in a strained international atmosphere.

"The forces of imperialism and hegemony have launched an offensive against the course of detente, which breeds a great danger for the future of our world and runs counter to the vital interests of nations, to the progressive advancement of human civilisation," he observed.

Mr Philipov hoped that "with its great international prestige of a peace-loving country" the Republic of India would keep on making invaluable contribution to the cause of solving the most pressing problems of recent times.

Earlier, the External Affairs Minister welcoming the distinguished guest reiterated the Government's conviction that "for any benefits of economic prosperity and social welfare to reach all sections of the people in a meaningful way there must prevail within the country, as indeed in the environment around, an atmosphere of peace, security and stability."

In a broad allusion to the Western powers' underestimation of peace for the Third World, Mr Rao said: "It is often easy to underestimate the great value of peace to the developing nations. We are convinced that peace can be secured if nations were guided by the well-recognised principles of international behaviour, such as the principles of peaceful coexistence."

Mr Rao specially referred to the long tradition of friendship and goodwill between India and Bulgaria, and said his Government was prepared to explore with the Bulgarian Government ways and means of strengthening the existing level of Indo-Bulgarian cooperation which would bring immense benefits to both the peoples.

CSO: 4220

INDO-BULGARIAN PANEL DISCUSSES TRADE RELATIONS

Calcutta THE SUNDAY STATESMAN in English 22 Jun 80 p 1

[Text] New Delhi, June 21.--The meeting of the Indo-Bulgarian Joint Commission had a rousing start here today with Mrs Gandhi endorsing the Bulgarian desire for widening the scope of economic and commercial relations.

At a meeting with the Prime Minister before the commission met, the visiting Bulgarian leader, Mr Philipov, was assured of India's readiness to join Bulgaria in any effort aimed at strengthening economic and other ties between the two countries.

Mr Philipov gave Mrs Gandhi a letter from his President, Mr Todor Zhivkov, in which considerable emphasis was laid on giving a new dimension to the ties between the two countries. Mr Zhivkov in his letter spoke of the importance his country attached to the strengthening of bilateral ties. He sought a change in the pattern of their economic and commercial relations hoping that these could be diversified to the advantage of the two countries.

The letter contained an invitation to Mrs Gandhi to visit Bulgaria which the Prime Minister accepted. She told Mr Philipov of the happy impressions she carried during her visit to Bulgaria in 1976.

In his talks with Mrs Gandhi, Mr Philipov suggested a long-term commercial and economic agreement between the two countries. He wanted the range of trade to be widened to cover nontraditional items. Mr Philipov was impressed by the level of sophistication achieved in India in machine building and hoped that his country would be able to cooperate with India in this sphere. He suggested bilateral cooperation in the fields of fertilizers, agro-industries, fruit preservation, chemicals and shipbuilding. Bulgaria, he said, would like to cooperate with India in sponsoring joint ventures in other countries.

CSO: 4220

AGREEMENT WITH BANGLADESH TO EXPAND, DIVERSIFY TRADE

Calcutta THE SUNDAY STATESMAN in English 22 Jun 80 p 1

[Text]

NEW DELHI, June 21.—India and Bangladesh have agreed that steps should be taken to increase and diversify trade between the two countris, reports UNI.

At the annual Indo-Bangladesh trade review talks which began here today, the possibilities of co-operation in various fields which might lead to further increase in trade were discussed.

The leader of the Indian delegation, Mr A. S. Gill, Commerce Secretary, suggested that India and Bangladesh could cooperate in the the field of jute, so that both the countries could get a better price for their production in the international markets.

The Bangladesh delegation leader, Mr M. Matiur Rahman, Secretary in the Ministry of Commerce, appreciated the suggestion and pointed out that such cooperation already existed in promoting tea in the international markets.

The Bangladesh delegation wanted to diversify their export basket to India by including items like wet blue leather, printing paper, molasses and Jamdani saris. Items of India's exports to Bangladesh, like coal, iron and steel and machinery, were also discussed.

Mr Rahman stressed the need to improve telecommunication facilities between the two countries. Mr Gill said that the suggestion would be communicated to the Ministry concerned.

The Bangladesh team also pointed out that they had successfully participated in the last International Trade Fair held here and would be interested in participating in the forthcoming trade fairs in India.

India's trade with Bangladesh is governed by an agreement concluded in July 1972. The agreement provides that the two Governments could consult each other, as and when necessary, and could review the working of the trade agreement periodically. The last round of such talks was held at Dacca in October 1979.

India's exports to Bangladesh in 1978-79 were worth Rs 82.87 crores and imports from Bangladesh were worth Rs 1.80 crores. During the first six months of 1979-80, India's exports to Bangladesh amounted to Rs 32.96 crores and imports Rs 1.70 crores.

India's major items of export to Bangladesh were coal, textile yarn, fabrics, iron and steel, machinery and transport equipment, crude fertilizers and crude minerals. One of India's main items of import from Bangadesh over the past few years had been newsprint.

CSO: 4220

INSTALLED CAPACITY OF POWER PLANTS TO BE RAISED

Calcutta THE SUNDAY STATESMAN in English 22 Jun 80 p 1

[Text] New Delhi, June 21.--The State Power Ministers resolved today that they would increase the installed capacity and complete the oncoming projects speedily as the two immediate remedies to improve the power supply position.

Briefing reporters at the end of the two-day conference, the Minister for Energy and Coal, Mr A. B.A. Ghani Khan Choudhary, said the States had agreed, in principle, to establish a national power grid, which would work on a single tariff. The way in which the institutional organization will function will be sorted out at a later stage.

Addressing the Ministers for the second day in succession, Mrs Gandhi asked the State governments to strive and improve the performance of power stations. "We have gathered here," the Prime Minister recalled, "not to blame one State or another, one agency or department, one Ministry or another Ministry, but to find ways how we can all work together and cooperate in order to find solutions. There is no problem which cannot be solved. It is a question of using imagination in trying to get the cooperation of all who are working and not hesitating to take decisions."

The Prime Minister said the country was facing enormous problems. During her visit to Salisbury and Belgrade, she had met leaders who were equally worried about certain international problems, but only for a short while. Their major worry was about the economic condition of their own country.

The Minister for Energy said the conference decided to pay more attention to the hydro-power projects. Since the hydro-power projects were taking a long time to be executed in the Himalayan region, it was decided to engage the services of foreign nations for expertise and supply of some equipment.

Thermal Stations

The conference has decided to have super thermal power stations near the coal pitheads. In future, Mr Chaudhary said, there would be more thermal stations near the coal pitheads.

He said all the Power Ministers had welcomed the Prime Minister's suggestion that the rate of growth of power generation should be at least 10% ahead of the rate of growth of the demand for power.

The Minister said that BHEL had been given time to classify all its components in a month. Since considerable time is taken to execute the supply of spare parts, BHEL has been asked to sort out the problem. In the case of very essential items, numbering about a dozen, BHEL has been asked to keep the stock with them.

Referring to the general power supply position, Mr Choudhary said 13% more power had been generated. The situation would have been better but for the 17.3% shortfall in hydro-power generation.

The Minister said the coal supply position was improving. More than the supply of coal, the Government wanted to improve the quality of coal. It was trying to do so by improving the management of the coalfields.

CSO: 4220

MISSILE DEVELOPMENT PROJECT DISCLOSED

Karachi MORNING NEWS in English 3 Aug 80 p 1

[Text] New Delhi, Aug 2: A project to develop missiles in India is on hand, it was disclosed here to the Defence Ministry's Consultative Committee Members of Parliament.

Prime Minister Indira Gandhi told the Committee on Friday that the first prototype of the main battle tank was expected to be available for trials by the end of next year.

Defence scientists are engaged in developing sophisticated system for the Navy such as sonar for the frigates, modern torpedos and advanced system for sonobuoys, the committee was informed.

In the field of aeronautics the development of gas turbine engine was being actively pursued. A "G.T." engine when fully developed could provide better thrust characteristics to indigenous future fighter aircraft the Prime Minister who also hold the Defence portfolio, said.

The committee was told that in the field of electronics the Defence Research and Development Organisation was engaged in research and development of a number of sophisticated items. Efforts of the Defence Research and Development Organisation were directed towards achieving self-reliance as far as possible, she added.

Defence scientists were engaged in developing advanced technology in the field of material technology and metallurgical as well as high temperature resistance plastic materials the Prime Minister said.--APP.

CSO: 4220

SRIHARIKOTA STATION PREPARES FOR SATELLITE LAUNCH

Calcutta THE SUNDAY STATESMAN in English 22 Jun 80 p 7

[Article by S. Rajappa]

[Text]

SRIHARIKOTA June 21.—The rocket launching station in this backwaters island off Sullurpeta in Nellore district, Andhra Pradesh, is buzzing with activity as the second satellite launch vehicle (SLV-3) is getting ready for blast-off, weather permitting, on July 13.

After the much publicized "partially unsuccessful" flight of the first SLV-3 on August 10, scientists of the different Indian space research organisations, located in Trivandrum, Bangalore and Ahmedabad, who keep flitting in and out of this desolate island to check and counter-check each one of the 44 sub-systems of the vehicle, are tight-lipped as far as the Press is concerned.

A thorough analysis of the data of the first test flight showed that only one sub-system failed in the 17-tonne 22.7 metre-long propellant rocket carrying the 40 kg Rohini technology payload into a 300 kilometre elliptical orbit around the earth.

Wholly fabricated at the Vikram Sarabhai Space Centre at Thumba, near Trivandrum at the cost of about Rs 1 crore, the second SLV-3 is ready at the Sriharikota launching pad for the mid-July blast off.

Results of the first test flight show that the first stage booster motor, which is the main element in lifting the vehicle to the edge of the atmosphere performed well and achieved three kilometres more than the predicted altitude of 30 kilometres.

After separation from the first stage and 68 seconds after the lift-off, there was a leakage of red nitric acid in the control system which resulted in the second stage not stabilising for about four seconds during the most critical phase, causing the vehicle to tumble.

Telemetred performance had shown that the second stage motor performed well but due to loss of velocity could not reach the programmed altitude of 72 kilometres. However, separation at the second stage did take place though at an altitude of only 50 km.

Subsequent major events such as ignition and thrusting of the stage 3 rocket motor, functioning of the control system, jettisoning of the heat-shield and the guidance and control commands took place as programmed. But the malfunction in the control system of the second stage having caused a loss of altitude and trajectory change separation of the third stage spin-up and ignition of the fourth stage and thrusting of the payload into orbit could not take place because of a premature splash down into the Bay of Bengal.

The planned expenditure of the SLV-3 project is Rs 30.5 crores, but the cost of the launch vehicle including material, components and fabrication is only about Rs 1 crore. Preparations for the second experimental flight of SLV-3 are almost complete including ground station facilities to monitor its performance.

CSO: 4220

PLANS TO DOUBLE OIL REFINING CAPACITY

Islamabad THE MUSLIM in English 5 Aug 80 p 4

[Text]

NEW DELHI, Aug. 4: India planned almost to double its oil refining capacity to 58 million tons within the next five years, Petroleum Minister, Veerendra Patil, said.

The country's 11 existing refineries have a total annual capacity of 31 million tons, but the total amount of crude actually processed in fiscal 1979-80, ended March 31, was 27.47 million tons compared with 26.97 million in the previous year.

Addressing a symposium in Bangalore, Mr. Patil said a new refinery at Mathura, northern India, will be ready in about six months, and is expected to reach full capacity of six million tons by the mid-1980s.

Mr. Patil said the government planned to set up two more oil refineries with a total annual capacity of nine million tones during the current Five-year Plans (1980-85), one at Bangalore or Goa on the south-western coast and the other in the north-west region.

In addition, the government proposed to expand the capacity of existing refineries to 41 million tons, Mr. Patil said. The government was also seriously thinking of setting up three more petro-chemical complexes fields, he added.

Mr. Patil said Bombay High, which now produces five million tons a year and will reach production capacity of seven million tons by the end of this year, has a potential of 12 million tons a year.

He said total oil reserves, on land and offshore, totalled 600 million ton.

In 1979-80, India produced 11.77 million tons of crude against 11.65 million in the previous year, and imported 18.2 million tons of crude and 4.2 million tons of petroleum products.

The Minister said the anti-insurgent agitation in northeastern Assam State had cost India Rs.4.5 billion, in loss of production since last January. Assam normally produces 5.5 million tons of crude a year, about 20 per cent of the country's total consumption.

Because of the agitation seven fertiliser factories based on oil were either closed or operating below full capacity, representing a loss of over 10 millions rupees per day, Mr. Patil said.—Reuter.

CSO: 4220

INTUC NATIONAL CONVENTION SCORES CONGRESS (I)

New Delhi PATRIOT in English 22 Jun 80 pp 1, 5

[Text] Inaugurating a two-day national convention of Indian National Trade Union Congress (INTUC) workers in the capital on Saturday morning, Congress president D. Devraj Urs warned the working people of the conspiracy being hatched by the ruling clique to destroy democracy and all standards of morality.

Mr Urs condemned the recently imposed ordinances in several States banning strikes in so-called essential services, criticised the non-implementation of the Minimum Wages Act, and denounced the "dictatorial decisions" of the present Sharma-Stephen leadership to make the INTUC an appendage of the ruling party. He expressed his sense of revulsion against those leaders for undemocratically dismissing INTUC State committees for not toeing the Cong-I line.

The danger, he emphasised, was not confined to the working class but encompassed the entire populace.

Bahuguna's Charge

Describing the convention as a "meeting of the real INTUC" he called for a concerted struggle against all dictatorial and authoritarian trends manifesting in the words and deeds of the ruling clique.

Mr N. H. Bahuguna, a founder-leader of the INTUC, was the chief guest at the meeting. Contrasting his own manner of functioning with those of Mr A. P. Sharma and Mr C. M. Stephen, he said that as soon as he had been elected general secretary of the UP Congress he had relinquished his work in the INTUC whereas the latter two were continuing to operate as INTUC leaders even after becoming Cabinet Ministers.

He called upon the working class to rise to the occasion and fight the draconian anti-worker ordinances and the line of the Indira INTUC.

He said the recent budget would be disastrous for the common man and charged Mrs Gandhi with taking steps to destabilise the country's economy

at the instance of the monopoly houses. He accused Mrs Gandhi of attempts to complicate solution of the Assam problem by trying to give a communal colour to it.

Assuring full cooperation and support to the INTUC convention, he fervently appealed to the INTUC workers to unitedly work with left-oriented trade union centres of the country.

In his welcome address, convention's convener J. S. Dara alleged that the Indira INTUC officials had ransacked the Delhi office of the INTUC and converted it into a pliable tool in the hands of the Government. He said the INTUC s Indore conference was a farce and the present leadership incapable of leading the working masses in this critical period in the nation's life.

General Secretary of the Maharashtra INTUC S. A. Dhabe (who presided over the session) called upon the INTUC workers to stand by the decisions of the convention in the interest of the working people. Chairman of the J and K INTUC Bhim Singh launched scathing attack on the Sanjay caucus for abetting the capitalists and monopolists against the toiling masses.

About 450 delegates attended the morning session. It was announced that 100 delegates from Bangalore were at the last minute refused permission to travel by train even though their tickets were duly booked. They are coming by road via Madras and may arrive on Sunday.

Former Labour Minister Raghunatha Reddy, Kerala Labour Minister Ariyadan Mohammad, Kerala Minister A. C. Shumangadas, president of Kerala INTUC S. Varadarajan Nair (convener of the convention), president of Karnataka INTUC Dr Natarajan, leader of the Congress Legislature Party in Kerala Oommon Chandy, Mr G. C. Bhattacharyya, MP, Mr Neelalohitadas Nadar, MP, and others participated in the session.

CSO: 4220

NATIONALIZATION OF SUGAR MILLS RULED OUT

Calcutta THE STATESMAN in English 21 Jun 80 p 7

[Text]

NEW DELHI, June 20.—While ruling out the nationalization of sugar mills, Mr Birendra Singh, Union Minister for Agriculture, told the Rajya Sabha today that the Government's policy was to encourage the cooperative sector. If the cooperative sector did not come forward, licences would be granted to the private parties.

He said an official committee had examined the takeover of sugar mills which were not properly managed or which were defaulting. It concluded that the takeover was not easy and that efforts be made to ensure that they functioned properly.

The Minister was replying to questions on a call-attention motion on the "pitiable condition of the sugarcane growers due to non-payment of the price of sugarcane to them by the sugar mills during the last five crushing seasons". The Minister made it clear that the Government would continue the present dual price policy on sugar as "we are not experiencing any difficulty". But a fresh look at the cost of sugar production was being given.

Mr Birendra Singh said that the arrears of the past three years totalled Rs 12 crores, out of which Rs 6 crores had been paid.

He said that notices had been issued to 22 defaulting sugar mills and 17 of them had brought down their arrears to the prescribed level.

The Minister said in reply to a question of Mr Ramanand Yadav (C-I) that he had no information of all defaulting mills. Mr Yadav's attempts to elicit more information were of no avail.

The Minister had an angry exchange with Mr N. P. Shahi (LD) when he alleged that the sugar mills were not being taken over by the Government or the defaulting mills were not being dealt with severely as their managements had given "money to the Government". "The allegation is baseless", Mr Birendra Singh retorted and urged Mr Dinesh Goswami, who was in the chair, to expunge Mr Shahi's allegation. The vice-chairman did not oblige the Minister on the plea that there was "no rule" for doing so and the Minister had also replied to the allegation.

CSO: 4220

GOVERNMENT PLANS FOR SIZABLE STEEL IMPORTS

New Delhi PATRIOT in English 22 Jun 80 p 5

[Text] Calcutta, June 21 (PTI). The Union Government is planning adequate imports of the categories of steel in demand in the country this year also, Mr Pranab Mukherjee, Union Minister of Commerce, Steel and Mines said today.

In his address read out in absentia at the 53rd annual general meeting of the Calcutta Iron Merchants' Association here, Mr Mukherjee expressed the hope that the net availability of steel to the economy would show further improvement.

Unfortunately, he said, the physical constraints in handling the materials at the ports and moving them inland imposed some limitations on the quantities that could be imported.

Ruling out the trade's suggestion to allocate larger quantities of steel, Mr Mukherjee said if this was accepted and a greater share in the distribution system was given to the trade it was quite likely that the difference between the regulated price and the market prices might come down somewhat. But as long as there was a shortage, the market price was bound to be higher than the regulated price.

The result of this would then be that the actual consumers who were at present getting most of their requirements at regulated prices would be forced to get a substantial part of their requirements at higher prices through trade. This was a situation which was not considered desirable, Mr Mukherjee added.

CONSTRAINTS

The Minister said the correct way of dealing with this problem was to increase the overall availability in the country to a level matching the demand. "All our efforts are therefore directed towards securing the maximum possible production from our steel plants. However, we have still to contend with several constraints like inadequacy of coal and non-availability of power and we hope that after the monsoon, the situation will improve", he added.

Meanwhile, Mr Mukherjee said, anticipating certain shortfalls in indigenous production, action had been taken well in time to import large quantities of the categories in short supply, with the result that the net availability of steel in 1979-80 was actually higher by about five per cent as compared to the previous year.

Mr Mukherjee did not agree with the president of the association, Mr Sayamlal Ghosal, that the trade had been totally bypassed while formulating the present pattern of distribution of iron and steel. That the trade had a certain role to play in the scheme of distribution of iron and steel was recognised and some provision had been made accordingly. However, the categories and quantities allotted to the trade varied from time to time depending on various factors.

"It is true that in times of shortage the quantum earmarked for supply to trade tends to get smaller and smaller and the distribution gets more and more consumer-oriented. Government's overall policy is that these materials sold at regulated prices should as far as possible reach the actual consumers direct", Mr Mukherjee declared.

CSO: 4120

CALCUTTA PORT CHAIRMAN REPORTS DWINDLING TRAFFIC

Calcutta THE SUNDAY STATESMAN in English 22 Jun 80 p 3

[Text] Despite all-round improvement in the working condition at Calcutta port during the past five months, traffic has dwindled at the port. Fewer ships are arriving and, on an average, 12 berths are idle every day.

Mr S.R. Das, Chairman, Calcutta Port Trust, said on Friday that exports from Calcutta port had fallen by 25% during the past three months. A meagre 6,000 tonnes of export cargo were lying in the sheds now. Of this quantity, only 2,900 tonnes were ready for shipment.

He said that during the first 17 days of June, Calcutta port handled 157,000 tonnes of cargo against 169,000 tonnes during the same period last year.

The arrival of ships in Calcutta had declined. At present, on an average, 80 ships called at the port in a month against 100 a few months ago.

Mr N.M. Trivedi, president, Association of Shipping Interests, said that while in January and February daily on an average 25 to 28 ships were being handled at the port, since May 25, the number had gone down to 18 a day.

The import of general cargo had decreased from 120,000 tonnes in January to 57,000 tonnes in May and that of export cargo from 80,000 tonnes in February to 56,000 tonnes in May, he said.

The fall in export trade is considered unusual by port circles despite the fact that there is generally a slackness in export during April and May. This period is off season for tea, the export of which starts in full swing from the middle of July.

But the export of jute goods has suffered this year because of the sudden imposition of one export duty on hessian. Export of jute goods to all countries, except the Soviet Union, has come to a virtual halt. The recession in the USA has also led to a fall in demand. Against normal monthly shipment of about 25,000 tonnes of carpet backing to the USA, only 13,000 tonnes are currently being exported.

The export of engineering goods, too, has been adversely affected because of imposition of a countervailing duty in the USA on sanitary casting and pipe shipped from India.

Moreover, a substantial cargo of engineering goods and some tea, also, are being diverted to Bombay because of attractive freight rates offered by tramp ships operating from that port.

The decline of trade is causing concern to the Calcutta Port Trust authorities in view of the fact that an ideal condition for work prevails at the port now. Mr Das stated that since December 25, 1979, there had been no dislocation of work. The port was now completely free from congestion. There was no waiting period for general cargo vessels at Calcutta and Haldia. Ships carrying specialized cargo had to wait for no more than a day or two for a berth. All forms of congestion surcharges had been removed by the shipping lines in April.

There is quicker turn-round of ships with the improvement in cargo handling. The rate of loading and unloading of cargo has increased by 20 to 25%. New equipment like 18 forklifts has been brought and more equipment and machinery are on the way.

The Chairman said that Calcutta port now handled about 300,000 tonnes cargo in a month. But the port had a capacity to handle at least 450,000 tonnes a month.

Besides general cargo he said, Calcutta could handle specialized cargo like fertilizer, cement, salt and coal. There were facilities for handling iron ore, coal, petroleum products and containers at Haldia. A new container berth was also operating at Calcutta since February and 300 containers at Haldia. A new container berth was also operating at Calcutta since February and 300 containers were lifted every month by a foreign line from Calcutta, he added.

Both the shippers and shipping lines agree that the labour situation has been reasonably normal during the past few months. Mr Trivedi, however, alleged that a section of workers had started an agitation recently demanding more bookings for them on ships. But this was not possible, he said, as the arrival of vessels and despatch of cargo had fallen at the port. All the registered workers under the Dock Labour Board were assured of guaranteed minimum wages, he added.

He said that shipping lines were hopeful that export of tea and engineering goods would pick up from July and that of jute goods, particularly carpet backing to the USA, from August. Every effort should now be made to ensure that the foreign buyers' confidence in Calcutta port was not shaken as in the past.

CSO: 4220

BRIEFS

WARSHIP FOR NAVY--Islamabad, Aug. 3:--Work has begun on building a new warship for the Indian Navy which will be launched next year, All India Radio reported today. Vice-Admiral Bhatia, Chief of Materials, Indian Navy told newsmen in Bangalore that the warship would cost Rs 600 million, 25 percent of the cost being in foreign exchange. He also said the battery used in submarines was now being produced within the country. Each battery cost Rs 10 million. Earlier at a function in the morning, the first indigenously produced electronic switchboard for the first Indian Frigate of Godavari class was handed over to Vice-Admiral Bhatia by an undertaking of the Karnataka Government.--APP. [Text] [Islamabad THE MUSLIM in English 4 Aug 80 p 8]

PRESS AGENCY CHAIRMAN--New Delhi, June 18.--The Press Commission has been reconstituted with Mr Justice K.K. Mathew, retired Judge of High Court, as the new chairman of the commission, reports UNI. The other members of the commission are: Mr Justice Sisir Kumar Mukerjee, retired Judge of Calcutta High Court, Mrs Amrita Pritam, poet and writer, Mr P.V. Gadgil, journalist and author, Mr Ishrat Ali Siddiqui, editor, Mr Qaumi Awaz, Lucknow, Mr Rajendra Mathur, editor of NAI DUNIYA, Indore, Mr Girilal Jain, editor, TIMES OF INDIA, Mr K.R. Ganish, former Union Minister of State, Mr Madan Bhatia, advocate, Supreme Court, Professor H.K. Paranjape, economist, and Mr Ranbir Singh, chief editor, HILAP. [Text] [Calcutta THE STATESMAN in English 20 Jun 80 p 9]

CHINESE TRAINED TERRORISTS--The Centre has alerted State authorities following reports that a Chinese trained terrorist organisation, SULA, has declared a 'liberation war' in the northeastern States, the Rajha Sabha was informed on Thursday, reports PTI. Minister of State for Home Affairs Yogendra Makwana said that the Government had seen reports that SULA was trying to bring together the extremist elements in Assam, Manipur, Tripura, Arunachal Pradesh, Nagaland and Meghalaya. "Concerned authorities have been alerted to keep a watch," the Minister said in a written reply to questions from Mr K.L.N. Prasad, Mr S.S. Bhandari and Mr N.P. Chengalraya Naidu. [Text] [New Delhi PATRIOT in English 20 Jun 80 p 1]

CSO: 4220

GOVERNOR OF JAKARTA DISCUSSES VARIOUS PROJECTS

Jakarta TEMPO in Indonesian 12 Jul 80 p 43

[Text] Entering his fourth year in office, Governor Tjokropranolo of Jakarta often visits unexpectedly. He likes to enter a neighborhood for a personal inspection. Kang Nolly, summoned by the governor, is often kept busy with problems encountered by the governor. His schedule is forgotten. The following are the highlights of the interview with the governor.

MHT Project:

One fourth of the acreage under this project has been completed. Ideally, it all must be done. But what is important is that we are able to make a payment on an 800 million rupiah loan from the World Bank. That was the second installment.

Closure of Jakarta

Many do not understand the regulations about this matter. What is intended is that the city is closed to those who do not have jobs there, such as beggars who sleep on porches. It is not closed to productive inhabitants who have jobs, or fixed addresses.

(Strong Arm?)

Up to now, I have not used the (strong arm?). What I have done is control only. For example, if the court decides a case in favor of the landlord, the illegal residents must leave. They can contest it up to Parliament; I will not bother them. You can ask me for help, but not for land.

Urbanization

This is an old problem. If Jakarta progresses, am I to blame? If Jakarta does not make progress, I am also to blame. It is good to give other men food and jobs. Some of them cannot feed themselves, let alone others.

Land Problem

Jakarta is densely populated. Thus, I estimate that we will not be able to contin e to build new housing like Depok or Bekasi for very long. We cannot start new housing which takes up so much land with so few inhabitants. Why not build apartments? They may be expensive, but we will need them in the future, because we will not be able to resolve the land problem. Thus, we must take new steps, in view of transportation factors and the price of land.

Gambling Problem

Income in the Jakarta area was 86.23 billion rupiah in 1979/80, or, about three quarters of the entire regional budget. Gambling represents about five to eight per cent of income. I agree that gambling should not spread through the population. However, I realize it cannot be abolished all at once.

Pulogadung

We are having land problems, with regard to construction of factories. That is because the land allocated for industrial development is densely inhabited, and very expensive. I will permit the acquisition of other areas, which are more sparsely settled. The cost of such land is still low, although it is still in Pulogadung.

[Following is test of insert item]

Promotion of Small Industry in Pulogadung

Pulogadung is not for large industries only, but also for small businesses, Governor Tjokropranolo stated. Bang Nolly is paying attention to small traders, businessmen and factories.

As a result, he often inspects the Pulogadung industrial area, some 15 km east of Jakarta. In that area, which houses 133 businesses in a 540 hectare area, "Promotion of Small Industry" was started in mid-1979. The first step was to acquire a 2.7 hectare area. That area is now occupied by 40 businesses in 44 offices measuring 24-30 square meters, each.

The small businesses perform various functions. "For example, large firms need cardboard boxes. Small firms meet that need", the governor noted.

"We are not troubled by shortage of water or electricity there", said Primiyanto, a Tegal spokesman, who dealt in various rattan goods. The brand is INDONESIA ORIGIONAL. The firm employs 34 workers, mostly from

Cirebon. Primiyanto considers himself successful. (Sales?) are about 5-7 million rupiahs per month. Young school graduates turn out INDONESIA ORIGINAL goods, which are exported to West Germany and other nations.

"Businessmen in 'Promotion of Small Industry' find it easier to get credit", said Halim Shahab, Director in Chief of the Jakarta Industrial Estate, which manages "Promotion of Small Industry," and is building 60 more kiosks. Meanwhile, 75 more small businesses are waiting for space. They want to be located in a row.

9197
CSO: 8127/1541

KOMPAS ANNIVERSARY CELEBRATES GROWTH

Jakarta TEMPO in Indonesian 5 Jul 80 pp 48-49

[Article: "Without Ojong and Drill Trousers"]

[Text] KOMPAS celebrated its anniversary last week--for the first time without its founder, P.K. Ojong. The daily, possibly the biggest in Southeast Asia, has a new general management now.

It's the afternoon of 30 September 1965. This is a critical day. A number of "forward-looking" ABRI [Indonesian Armed Forces] officers calling themselves the 30 September Movement have taken charge. However, happening to hear of their plan to issue a mandate that every paper being published must declare its loyalty to the new authorities, the general manager of KOMPAS, P.K. Ojong, decided to refuse. "We won't do it. It will not matter if we are shut down now, or if we hang on for a few more days."

Fortunately, there were new developments that day. The 30 September Movement was resoundingly defeated. KOMPAS, which was jointly managed with Jakob Oetama, was not shut down. This incident was recalled on 28 June when the morning paper celebrated its 15th anniversary, particularly since the celebration was different this time: its founder, P.K. Ojong had died suddenly a month earlier.

"We have sustained a great loss," Jacob said of Ojong's death. I'm not exaggerating. Ojong was the prime mover behind the flourishing media enterprise. However, even without Ojong, Jacob said, few changes will be made in KOMPAS "because we have made KOMPAS an institution with organizational and personnel methods which, in my opinion, are pretty stable." This managing editor, a Javanese educated as a spiritual leader and teacher, has served concurrently since July as general manager.

Although the business aspect is of consequence, KOMPAS's initial spirit will be maintained under Jakob Oetama's leadership. Born during difficult times, KOMPAS initially published no more than 10,000 copies.

Publication was always delayed. Printing was contracted out to a number of companies, and it had to wait its turn until other papers were printed. Its circulation was irregular during the first 3 months.

"If a scholarly economic feasibility study had been made at that time, it certainly would have shown that it would not be feasible [in italics] to establish a new newspaper," wrote Indra Gunawan, a senior reporter for KOMPAS, in his article celebrating the anniversary of the paper last week.

But from that hard-scrabble paper, its work shouldered by only seven editorial staffers and ten reporters, KOMPAS has grown into the biggest newspaper, with an editorial staff of more than 70 persons. It has not only succeeded in swelling its circulation to more than 300,000 copies a day--probably the biggest in Southeast Asia--but this paper, published by the Yayasan Bentara Rakyat, has also successfully given birth to other enterprises including the monthly magazine INTISARI, which in fact was published even before KOMPAS. Other efforts include the establishment of PT Gramedia, which is moving into the printing, publishing, bookstore, and film-making fields. This means that more than 1,000 persons are now employed by the organization, including those who work on KOMPAS.

The rapid development of KOMPAS is depicted in the article by Indra Gunawan. He writes that it has been painful to act as a witness of the earlier image of drill trousers and poorly-dyed shirts and a general manager who personally dropped by to introduce a paper to sales agents.

Editorially KOMPAS also continues to raise its standards. According to Jacob Oetama, KOMPAS is exerting itself in order that reports on problems are based on complete and accurate data and that analyses are more comprehensive. Nonetheless he admitted that "we sometimes succeed in this effort and sometimes we do not."

Since its inception, Indra Gunawan said, this paper wanted to offer other features of Indonesian journalism. Perhaps that is why a fairly large part of the paper was devoted to analytical commentaries or discussion of some problem. "Because of the great number of such articles, KOMPAS was often described as a journal," Jacob said.

Models for such an approach are found in continental European dailies such as LE MONDE in France and DIE WELT in Germany. This intellectual coloration evidently was proudly nurtured by KOMPAS's caretakers. When one sees the number of readers increasing from year to year, it is apparent that such a coloration has a drawing power for many reasons.

It goes without saying that there are criticisms, for instance, that hot news is felt to be absent from KOMPAS. Other criticisms are more technical: for instance that the reportage on page one should mention the name of the writer--because it contains his opinions--and it is sometimes published as a factual news item. In general, however, the readers are not overly attentive to these shortcomings. KOMPAS continues to be one of the highly respected dailies.

Jacob Oetama himself says that KOMPAS is pursuing the goal of improving the quality of its newsmen. "Newsmen are being required to have a mastery of elementary social survey methods, for instance," Jacob said.

It goes without saying that necessary improvement in the professional qulaifications of its newsmen is not the only matter under discussion at the daily KOMPAS. KOMPAS now faces the predicament that these efforts at improvement may be too late. Each edition is limited to 12 pages and the limitation on the number of advertisements reduces the company's revenue, although it is public knowledge that KOMPAS workers, in particular its newsmen, have decent incomes.

Just how large they are, Jacob Oetama was not prepared to breathe a word. A 50-year old intellectual, born in the village of Borobudur, Jacob only smiled modestly when asked how much his newsmen were paid.

6804
CSO: 8127/1542

DHARSONO RESIGNS FROM PROPELAT COMPANY

Jakarta TEMPO in Indonesian 28 Jun 80 p 5

[Text] The two-story building in Jl. R. E. Martadinata, Bandung, feels deserted. PT Propelat, a construction and general commercial firm owned by the Kartika Siliwangi Institute, has not yet recovered from the Pertamina crisis. The work force, formerly 300, now numbers 190. However, under Lt Gen H. R. Dharsono, Director General of Propelat since 10 December 1978, the large firm slowly began to progress. Suddenly, it is widely assumed by many officers, the former commander of the Siliwangi Division and Secretary General of ASEAN, is retiring.

"In view of conditions, I feel less able to maintain the relations of PT Propelat with other elements, particularly the government", read Dharsono's letter of resignation. He also said, "Because of these conditions, my service as Director General will hamper the progress of PT Propelat, and the Propelat group, as a whole".

Why? "Clearly, under my leadership, PT Propelat cannot get government business or facilities", Dharsono explained. Wearing a cream-colored shirt and blue pants, the graying general, familiarly known as Pak Ton, was still slim and alert. He does not know what he will do next. "But I definitely want to remain active in business", he noted.

The father of three sons and three daughters, and grandfather of two, he will reach pension age, 55, on 1 July. He was born in Pagunemungan Subdistrict, Pekalongan, and is not known to have any foreign blood. His son is a subdistrict chief. Many employees acknowledge that "Pak Ton succeeded in laying the foundation for the comeback of Propelat, which had almost gone bankrupt".

Banks are reluctant to grant loans to Propelat in addition to the debt already owed. To prove that Propelat is capable of recovery, the firm has cooperated with PT Mega Eltra, a state enterprise. "Although Propelat has only ten per cent of the projects undertaken by PT Mega Eltra, we are striving to win the confidence of the banks", said Dharsono.

At the end of 1979, the State Commercial bank indicated it was willing to help PT Propelat. Projects built under the Mega Eltra consortium included a transmigration project in Riau; the Suryalaya Highway in Banten; and two (PAM) projects in Bekasi and Pelabuhanratu. The total value was 2 billion rupiah. When problems poured in on Propelat, its capital was 4 billion rupiah. Now, although no inventory has been taken, Dharsono estimates it is worth at least 5 billion rupiah.

Bambang Hendarto Parikesit, 33, Director General of PT Mettana, a Propelat subsidiary, rated General Dharsono like this: "At first, I was rather doubtful that Pak Ton could be successful as the head of Propelat. But my doubts were dispelled as Propelat began to make progress, step by step. Of course, the Director General does not take charge of technical problems. He is a leader with many clients. And in the matter of external relations, Pak Ton could be relied on."

H. R. Dharsono, a popular man loved by most of his employees, is active socially. But he feels many doors have begun to close recently. "What can be done? It is better that he should retire, rather than let Propelat be victimized," said Bambang.

9197
CSO: 8127/1543

COLUMN CRITICIZES THAI CLOSURE OF BORDER, BLAMES 'REACTIONARIES'

Vientiane VIENTIANE MAI in Lao 8 Jul 80 p 2

[Article in 'Conversations with the Editor' Column: "Lao-Thai Problems"]

[Text] [Question] To the Editor of VIENTIANE MAI. I am a subscriber to your paper. The newspaper has substance and is beneficial, especially the 'Conversations with the Editor' column which I like the best. But I have never written a letter to the editor before. Today I have some questions to pose.

1. On the Lao-Thai border question who is right and who is wrong?

2. When will Thailand open the border?

3. On this problem I have heard that there is a powerful group behind the Thai, but if it is not Thai, is it someone who has evil intentions? Please explain because I have no really clear information. from: Songkan, Ban Hong Kha

[Answer] We answer the comrade as follows:

1. Since the founding of the Lao People's Democratic Republic [LPDR] the imperialists have conspired with the Beijing international reactionaries and a group of Thai reactionaries who have tried to destroy the LPDR and constantly sabotage the firm friendship of brothers and neighbors, between the Lao and Thai. Since the joint communique between Kaysone Phonvihan and Kriangsak Chamanan, when they signed and recorded the results of the meeting of the Lao Thai Border Committee, the untoward incidents that occurred on the Lao-Thai border have caused adverse effects on the friendship between the two peoples, Lao and Thai. This was done by a reactionary Thai group and this group is solely responsible. The Lao people and the Thai people must restrain that group of Thai reactionaries and not allow them to cause any more disturbances along the Lao-Thai border. We must increase our alertness to the highest degree to crush completely such schemes of sabotage by [illegible]erialists, the international reactionaries,

and those in the Thai reactionary bloc, to protect the territorial waters of the LPDR strongly at all times, not allowing anyone to touch its independence and sovereignty.

2. On the question of opening the border, it was not the Lao who closed it, but the Thai unilaterally. This matter is solely up to the Thai themselves. They alone are responsible. If they remain obdurate in closing the border between Laos and Thailand, Lao and Thai from both banks of the river would raise their voices in strong criticism. The fact that the Thai reactionaries order the closing or the opening of the Lao-Thai border is a trick that they play as a strategic ploy of the imperialists and international reactionaries. We demand that they open the border to let both peoples pass back and forth as usual, making the Mekong River a river of peace and friendship, which was the intent of the communique signed by Kaysone Phomvihan and Kriangsak Chamanan.

3. Those who cause trouble at the Lao-Thai border are a group in the Thai reactionaries who conspired with the imperialists and international reactionaries. They seek only their own rights and profit and do not think of the friendship, peace, and security of this area at all.

9615
CSO: 4206

SISATTANAK DISTRICT OPENS REEDUCATION COURSE FOR REFUGEE RETURNEES

Vientiane VIENTIANE MAI in Lao 23 Jun 80 pp 1, 4

[Text] The Committee of the Department of Propaganda, Information, and Culture of [Meuang] Sisattanak District, City of Vientiane, has started training for 96 misguided young people, among them 19 girls, whom the enemy deceived into fleeing to Thailand. They have fled safely back to their homeland. The youths reported the following: they fled to Thailand because of the enemy propaganda that those fleeing would be well off. But when they experienced the reality they were very oppressed by the reactionary Thai officials and were not able to tolerate the misery. They heard that in their Lao homeland there was building for prosperity and strength with freedom for all; the new order was being built and it was the policy of the humane revolutionary authorities to pardon those who were deceived.

They all decided to flee back to their homeland safely and were warmly welcomed by local authorities and their parents and brothers and sisters. In order to let them understand and dislike the deceitful schemes of the enemy and become good citizens in the new society, the local propaganda department gave them a political education course. After this training the 96 formerly misguided youths hated themselves for being so ignorant in the past and decided to train themselves to be good citizens and build socialism.

8149
CSO: 4206

TRADE SECTOR REPORTS SALES, PURCHASES, REGISTRATION

Industrial Goods in Vientiane Province

Vientiane VIENTIANE MAI in Lao 26 Jun 80 p 1

[Text] From 19 June to 25 June 1980 the companies distributing industrial goods supplied a variety of products to 15 stores throughout Vientiane City and Province.

These products were: 111,214 meters of cloth of all kinds; 6,000 skirts; 4,000 blankets; 12,000 neckerchiefs; 1,200 rice pots; 1,770 soup pots; 690 enameled dishes of all kinds; 1,000 enameled bowls; 1,710 ladles; 7,000 toothbrushes; 20,000 sewing machine needles; 40,000 sewing needles, and other items.

The total value of all these amounted to 200,000 kip. They supplied the demands of the multi-ethnic people in the various district towns, served production, and gradually improved the living conditions day by day. It is one phase of implementation under the direction of socialist trade, on the foundation of trade as the link in the economic system.

Sikhottabong Trade

Vientiane VIENTIANE MAI in Lao 24 Jun 80 pp 1, 4

[Text] In mid-May 1980 the state store cadres of [Meuang] Sikhot District, Vientiane City, were determined to make good sales of consumer goods to the people.

In that period they sold various kinds of items such as: 13,241 meters of cloth, all types; 6,488 skirts; 167 laborer's clothing; 897 wool and cotton blankets; 1,604 packs of cigarettes; 589 pots of all kinds; 1,702 bowls; 2,345 kg of Fab; 1,494 bars of soap; 2,940 tubes of toothpaste; 617 toothbrushes; 3,030 notebooks, and other things.

In addition, this district store distributed consumer goods such as rice, salt, and a variety of food items for sale to the people. All these contributed admirably to the well being of the people during the cultivation season.

Forest Products Purchased

Vientiane VIENTIANE MAI in Lao 27 Jun 80 p 1

[Text] In the beginning of 1980 the industrial products distribution company of the Vientiane Trade and Industry Department purchased forest products from the people of 5 district towns throughout Vientiane City-Province, totaling more than 195 tons. In this amount were 106,988 lengths of rattan; more than 18 tons of kapok; 3,964 kg of corn; 3,833.5 kg of sesame; 999.7 kg of pangolin scales; 12,227 kg of ox and buffalo bones; 2,130.6 kg of buffalo horn; 441 kg of tea; 2,120.5 kg of resin; 730.2 kg of turtle shells; 347 kg of flattened tamarind; 94 tons 159 kg of bark: wet, bamboo, or hardwood; 16,357 kg of dried ox and buffalo hides; 10,038.5 kg of python skin; 292 kg of gurjun oil; 5,000 plant seedlings; 289 kg of onions; 33,356.4 kg waste paper [lopinian-translation unknown]; 131 kg of cotton, with a total value of 2.5 million kip. The sale of the forest products provided a good income for all our people and also capital accumulation for the state in the export of products.

Vang Viang Forest Products

Vientiane VIENTIANE MAI in Lao 1 Jul 80 p 1

[Text] In the first 6 months of 1980 the [Meuang] Vang Viang District-Vientiane Province state store cadres arranged to purchase forest products from the people of various locales in their district towns. In this period they were able to buy 34,671.6 kg of bamboo bark; 13 kg of wet bark; 111.8 kg of pangolin scales; 2,629.3 kg of ox and buffalo bones; 7,803.9 kg of aluminum; 242.3 kg of buffalo horn; 9.8 kg of turtle shells; 40 kilo of scrap paper; 252.5 kg of dried tea; 9 kg of resin; 12.85 meters of python skin; 3,471 lengths of rattan, and other items, with a total weight of 46 tons 888 kg. This provided a good revenue for the people and also a capital accumulation.

Vientiane Merchants Register

Vientiane VIENTIANE MAI in Lao 25 Jun 80 p 1

[Text] After the Vientiane City-Province Administrative Committee completed its check of the private sector of the economy, since the beginning of June, all the merchants in Vientiane City-Province were happy to submit their applications to the Vientiane Tax Section for a new business registration. Up to now more than 360 merchants have registered.

At the time of the new business registration all of the merchants affirmed that this business registration is proper and very fair, because they will continue to conduct their trade in orderly and correct fashion, according

to the policy guidelines of the party and the laws issued by the state. This will insure that all the merchants observe their obligation to the nation, pushing up production, and improving the living conditions of the population day by day.

Champhon, Savannakhet Trade

Vientiane KHAOSAN PATHET LAO in Lao 8 Jul 80 p A4

[Text]--Vientiane KPL--In the first 6 months of this year all the people of various locales in [Meuang] Champhon District, Savannakhet Province, volunteered to bring their produce and forest products to sell and exchange for state goods, in a widespread movement. This included 162 tons of unhusked rice, 50 tons of salt, stick lac, resin, and other items.

At present the trade of goods between the state and the local people continues as usual. It encourages the people's production of the people in the cultivation season so that the results will be good.

The report also states that at the same time provincial store 2 distributed consumer goods to serve education and tools for production to the cadres and the people: 2,500 meters of cloth, 8,642 notebooks, plowshares, hoes, spades, sickles, and a quantity of necessary tools.

9615
CSO: 4206

LICENSE PLATE CHANGE ANNOUNCED

Vientiane VIENTIANE MAI in Lao 24 Jun 80 pp 1, 4

[Text] In conformity with the notice of the Ministry of Communications, Public Works, and Transportation, No 127/KYT, 21 June 1980, on changing certain types of old vehicle license plates for new ones, the Communications, Public Works, and Transportation Section, Vientiane City-Province, decided to change certain categories of license plates. This is consonant with the section's responsibility for supervising vehicles. The details are listed below.

A. License plates for 50 cc vehicles

1. Lao private vehicle license plate

--Old plate: $\frac{\text{NC}}{\text{VT}}$ Background yellow, letters and numerals black

--New plate: $\frac{\text{NC}}{\text{VT}}$ Background yellow, letters and numerals red

2. Alien private vehicle license plate (not in organizations). Aliens who have lived and worked in Laos for a long time:

--Old plate: $\frac{\text{NC}}{\text{VT}}$ Background white, letters and numerals blue

--New plate: $\frac{\text{NC}}{\text{VT}}$ Background yellow, letters and numerals blue

3. Vehicle license plates of aliens (in international organizations). There is no change. They remain the same.

4. License plate for government vehicles. There is no change. They remain the same.

B. License plates for pedicabs, passenger and transport:

--For all samlors carrying passengers or goods, the owners with their vehicles have joined in organizing the Lao Pedicab Association and have valid operating permits.

--In the above, the motorized pedicabs will change their license plates and register again at the Public Works Section from the date of the signing of this announcement.

1. License for motorized pedicabs:

--Old plate: $\frac{Kh}{VT}$ Background white, letters and numerals black

--New plate: $\frac{Kh}{VT}$ Background black, letters and numerals yellow

2. License for "kathun" pedicabs:

--Old plate: $\frac{K}{VT}$ Background white, letters and numerals black

--New plate: $\frac{K}{VT}$ Background black, letters and numerals yellow

3. License for "kaba" pedicabs

--Old plate: $\frac{K}{VT}$ White with black letters and numerals

--New plate: $\frac{K}{VT}$ White with yellow letters and numerals

Note: For change in the license plates and registration for 50 cc vehicles and "kathun" and "kaba" pedicabs, further details will be announced when the order is to be actually carried out.

The change to the new plates, in accord with this announcement, will begin from the date of signing. The motor samlors particularly must endeavor to change the plates and register again before others. The old plates will be abolished.

Therefore, all owners who have these types of vehicles are so notified.

Vientiane 5 June 1980
Vientiane Communications, Public Works, and Transportation Section

9615
CSO: 4206

FREE MARKET MERCHANTS TERMED 'UNSIGHTLY'

Vientiane VIENTIANE MAI in Lao 23 Jun 80 p 1

[Article in 'Conversation with the Editor" Column]

[Excerpts] [Question] Why are merchants allowed to sell their goods along roads when this is unsightly and blocks traffic?

[Answer] The market cadres and the police have done their duty in this matter already. But it does not seem to have had any effect. They acted because the merchants were breaking the regulations. All the merchants should work together to make all selling legal according to the regulations of the officially designated places. First the market officials should be very strict in this matter and should warn them constantly because someone from the countryside who is ignorant of this might bring goods in for sale. Nevertheless, we must make sure they follow the rules. Generally the ones we have seen selling like that have been selling wholesale, and this is not good. It is as if they are mocking the cadres who set up the system. Those in charge of distribution must be firm and vigorous in doing their duty so that there will be effective results to maintain good order.

8149
CSO: 4206

LOCALITIES REPORT PROGRESS IN PLANTING FORESTRY WORK

Oudomsai District, Luang Prabang

Vientiane SIANG PASASON in Lao 13 Jun 80 p 1

[Text] Since May, agricultural cooperatives of various localities in [Meuang] Oudomsai District, Luang Prabang Province have been hurrying to till and plant their rice fields continuously so as to keep up with the seasons.

Right now they have completed the plowing and harrowing of one-third of their fields, a total area of 750 hectares, and they have planted more than 30 tons of seedlings.

While waiting for the planting season, they struggled to repair old irrigation ditches which had deteriorated to assure that there would be sufficient water for the rice.

Vientiane City, Province

Vientiane VIENTIANE MAI in Lao 13 Jun 80 p 1

[Text] Farmers throughout Vientiane City and Province are setting to work on 79,000 hectares as the agricultural season has arrived without waiting for rainfall and they will make paddy production this year be a great victory in the foodstuff sector.

Since the beginning of May farmers in various localities throughout the Province and City of Vientiane have hurried to prepare the fields; they have been continuously plowing and harrowing, planting, fencing, and repairing the irrigation ditches which carry water to the fields.

Organizing for field work in every locality primarily depends on the agricultural cooperatives; labor is organized and apportioned in detail for each person. Therefore even if there are difficulties, these can be overcome easily by working quickly and on schedule.

According to still incomplete figures, at present the farmers throughout the Province and City of Vientiane have completed the initial stages of planting rice on a total area of 79,000 hectares. Outstanding in this were the farmers of [Meuang] Hatsaifong District, [Meuang] Vang Viang district, [Meuang] Phong Hong District, [Meuang] Thoulakhom District and [Meuang] Nasaithong District who have transplanted already. These localities have transplanted more than 6,000 hectares.

It was reported that this year the farmers in some localities cleared additional new land. They cleared many hundred hectares of idle land. The hill tribes abandon shifting cultivation as they come down to do paddy work, for example, the 59 Hmong families of Vang Luang Village, [Meuang] Hom District.

Saisettha District

Vientiane VIENTIANE MAI in Lao 23 Jun 80 p 1

[Text] Since the beginning of June 1980 the members of agricultural cooperatives and farmers of various villages associated with [Meuang] Saisettha District, City of Vientiane, have boldly hurried to transplant their rice in the lowlands around That Luang and Phonphanao.

In this period the cooperative members and farmers throughout [Meuang] Saisettha District transplanted 30 percent. The total area is 873 hectares.

Now the cooperative members and farmers are continuing urgently to transplant their rice in order to keep up with the season.

Thoulakhom District

Vientiane VIENTIANE MAI in Lao 23 Jun 80 pp 1, 4

[Text] Since the beginning of June members of agricultural cooperatives and farmers of villages throughout the cantons affiliated with [Meuang] Thoulakhom District, Vientiane Province have hurried to organize as units and begin transplanting their rice fields. The units for plowing, harrowing and planting and the units for transplanting compete at their work strenuously.

Up until now they have transplanted more than 2,500 hectares out of a total of 8,596 hectares throughout the district.

At present the work begun by the people of this locality is proceeding quickly so as to finish on schedule and to score achievements to celebrate the fifth National Day on 2 December.

Sisattanak District

Vientiane VIENTIANE MAI in Lao 23 Jun 80 pp 1, 4

[Text] Since the beginning of June the members of agricultural cooperatives and farmers in the 5 cantons of (Meuang) Sisattanak District, City of Vientiane, completed transplanting fields amounting to more than 600 hectares which is 70 percent of the district's 800 hectares of rice paddies.

The agricultural cooperative units and farmers are proceeding urgently with plowing, harrowing and transplanting in order to keep up with their plan in the middle of this month. In addition, they have to take care of the rice seedlings which have been transplanted so they will grow well; this involves weeding, fertilizing, maintaining water levels, etc.

Chanthabouli District

Vientiane VIENTIANE MAI in Lao 23 Jun 80 p 1

[Text] Starting in June the members of agricultural cooperatives and farmers of [Meuang] Chantabouli District, City of Vientiane, have boldly rushed to organize the rice transplanting. In this period they have transplanted 67 percent of their area out of a total of 800 hectares.

Now the cooperatives and farmers in this locality are racing to transplant in order to finish on schedule.

Kaleum District, Saravane

Vientiane KHAOSAN PATHET LAO in Lao 17 Jun 80 pp A3, 4

[Text] Since the beginning of April the people of [Taseng] Tangnoi Canton, [Taseng] Pak Canton and [Taseng] Vak Canton, [Meuang] Kaleum District, Saravane Province, have been hurrying to prepare their fields. At the end of May they had planted 1,270 hectares of rice. In addition they worked together to plant more than 100 hectares of starchy crops including manioc, sweet potatoes, corn etc.

During the same period the multi-ethnic people of Patrant Village, Pai Village, Arang Village, and Atin Village, which are part of the district willingly gave up their shifting cultivation and turned to lowland rice fields one after the other.

When they reached the plain, the local authorities and the nearby farmers helped them with production tools and instructed them thoroughly in wet field farming. They were also helped in digging irrigation ditches, plowing and harrowing, and transplanting 23 hectares as planned.

Saravane Forestry Work

Vientiane KHAOSAN PATHET LAO in Lao 20 Jun 80 p A3

[Text] In the first 6 months of this year, forest exploitation workers of Saravane Province strove to do their duty vigorously.

In this period they cut trees amounting to 5,000 cubic meters of wood and hauled it to saw mills. It was to be used by the people for various activities. They inspected the forest in various areas dozens of times. They surveyed more than 7,000 hectares of pine forest in [Meuang] Dak Cheung District and operated a nursery for industrial tree seedlings. They planted more than 1,000 trees of various kinds and did other things. They were able to fulfill their plan for exploitation maintenance, and expansion work in forestry.

Kasi, Vientiane

Vientiane KHAOSAN PATHET LAO in Lao 23 Jun 80 p A4

[Text] From the end of May to the beginning of June the members of 44 agricultural cooperatives in 5 cantons affiliated with [Meuang] Kasi District, Vientiane Province, hurried to prepare their fields one after the other, weather permitting. In this period they finished plowing, harrowing and planting as much as they needed. They planted more than 50 tons of seed on 1,399 hectares.

In other localities farmers are also hurrying to plow, harrow, and plant. In some localities they have begun to transplant and have partially completed it.

8149
CSO: 4206

BRIEFS

KASI CULTIVATION--At the end of May 1980 the members of 44 agricultural cooperatives in five cantons that are subordinate to [Meuang] Kasi District, Vientiane Province, together vigorously undertook sowing their rice seed. They set to work during that period and were able to finish 100 qercent of the sowing. They planted 50 tons 500 kg of rice in an area of 1,399.93 hectares. The members of the district agricultural cooperatives are now making every effort to transplant their rice and complete the task quickly. [Text] [Vientiane VIENTIANE MAI in Lao 25 Jun 80 p 1] 9615

THOULAKHOM CULTIVATION--Since the beginning of June 1980 the farmers and members of the agricultural cooperatives in various villages in 12 cantons subordinate to [Meuang] Thoulakhom District, Vientiane Province, have hastened to put their effort into plowing and harrowing rice fields and transplanting their rice with all vigor. They have finished transplanting the rice in more than 6,000 hectares, of a total of more than 8,200 hectares of rice fields throughout the district. These local farmers are working hard to complete the transplanting of the rice according to their quota. At the beginning of July they are concentrating on care for the transplanted rice, always working, applying fertilizer, watching the water level, eliminating plant pests, and so on. [Text] [Vientiane VIENTIANE MAI in Lao 8 Jul 80 pp 1, 4] 9615

CSO: 4206

DEFICIT IN BALANCE OF PAYMENTS RISE REPORTED

Islamabad THE MUSLIM in English 31 Jul 80 p 1

[Article by Ashraf Hashmi]

[Text] ISLAMABAD, July 30: Declining trend in the country's exports and sharply rising import bill would surpass the officially estimated deficit of 2.4 billion dollars in the balance of payments this year.

According to official sources, the country is expected to earn a total of 2.6 billion dollars from its exports this year, while its import bill has been estimated at 5 billion dollars. But the worldwide recession and its adverse affects on developing countries may upset these calculations, causing serious strains to the country's economy.

Figures available for February-June period this year, indicate a constant fall in the country's exports while the import liabilities are increasing rapidly. Compared to the total exports of 283 million dollars in February this year, the figures of exports earning went down in June to 196 million dollars while in May the country could hardly fetch 181 million dollars from its total exports.

A loss of 100 million dollars in monthly export figures within a period of five months makes it difficult for the country to cover the shortfall within the remaining period of the year to achieve the estimated target of 2,600 million dollars. The rising import bill, official estimated as 27 per cent, is also causing concern. There has been a heavy price hike of causing concern. There has been a heavy price hike of commodities like petroleum products, fertilisers, machinery, transport equipment, food and other essential items. In such a situation the country's estimated import bill was bound to go much higher, widening the existing gap of 2.4 billion dollars in its balance of payment position.

Official circles believe that in order to cope with the situation, the country needs concerted efforts of all concerned. Immediate remedy to the situation is a big boost in the country's production. But despite the fact that the government is doing everything, it can do by way of incentives to the industrialists, the official circles think their performance has not been up to the mark.

CSO: 4220

LOCAL EXTRAVAGANCE COMPARED TO AUSTERE PRC MISSION

Islamabad THE MUSLIM in English 30 Jul 80 p 4

Editorial: "Disconcerting Extravagance"]

[Text]

THE disconcerting report on official extravagance carried by this Paper on Sunday makes painful reading. The Cabinet Division is said to have taken serious note of the fact that some sponsoring organisations have been importing big cars, refrigerators, air-conditioners and other luxury goods out of loans and credits advanced by friendly countries and other agencies for specific development projects. At a time when the country is faced with financial stringency and funds are needed for investment in productive undertakings, officialdom's demonstration of such incurable penchant for luxury items—in flagrant violation of the Government's directive to observe strict economy—can only be construed as their pathological insensitiveness. An autonomous body was found keen on importing 41 automobiles, big and small, when it discovered that it was left with a nominal surplus. An order was placed for 27 small cars from the donor country and for 14 limousines from another country. This despite the fact that the government is understood to have instructed the organisation to return the surplus to the donor country.

This brazen disregard of the directives for austerity would perhaps have remained undetected if the Finance Ministry had not thrown a spanner into the works. It was only when the Finance Ministry was approached for a customs clearance for 27 small cars, which have already arrived in Karachi, that this manifest abuse of power came to light. The Ministry is reported to have refused clearance while the luxury cars are said to be on the high seas.

Comparisons may be odious but one cannot help recalling the inventory of their requirements given by the engineers and experts from the People's Republic of China when they arrived in Taxila to start work on the Heavy Mechanical Complex. They needed no air-conditioned bungalows to live in, no elaborate furniture and fittings for their offices and no fleet of cars. It must have baffled their Pakistani counterparts at the project who already had arrangements to live and work in air-

conditioned comfort. But whether they felt small or big in comparison with the Chinese, who put a premium on work and not on ease and comfort, it is not for us to surmise. The Chinese did not ask for cooks or bearers or any other class of domestic servants who constitute an irreducible minimum in the domestic paraphernalia of the high-ups in our bureaucracy.

The luxury items are said to have been ordered from abroad under cover of "office equipment and services to be provided to consultants" – a clause usually inserted in every loan agreement. What the offending organisations have done is to stretch this clause to include the extravagant high-priced items. Such movable equipment as air conditioners and refrigerators have the uncanny habit of vanishing from offices from the work site after a while and reappearing mysteriously in private residences. Those who have worked on projects must have witnessed this arcane phenomenon. This is not to suspect the integrity of our high officials associated with the works which have necessitated purchase of such princely equipment to run their offices. They may have their own reasons not to practice it, but they do believe in the virtues of austerity which they keep preaching to their subordinates.

CSO: 4220

WORLD FOOD PROSPECTS: IMPACT ON ECONOMY

Lahore THE PAKISTAN TIMES in English 6 Aug 80 p 4

[Article by A.R. Shibli]

[Text] The International Monetary Fund in its report "World Economic Outlook" has outlined a grim picture of the world economy in 1980-81. The broad contours of the picture include a severe worldwide problem of inflation and a general pattern of slow growth of output with a threat of recessionary trends in the industrial world.

A matter of concern for the developing countries is the food prices which are projected to touch new heights and upset their balance of trade.

Hope

Pakistan imports wheat, edible oils, sugar, milk, tea, petroleum, fertilizers, etc., at a much higher price than that of its major exports, viz. cotton and rice. Naturally, therefore, its losses would outweigh the gains as usual. Last year our exports were projected at 2,360 million dollars and imports at 4,488 million dollars, leaving an unfavourable balance of 2,128 million dollars. Unless, therefore exports are doubled and imports drastically cut, there would be little hope of achieving solvency even in the current year.

World wheat output in 1980 is forecast by the International Wheat Council at between 440 million and 450 million tons compared with 424.6 million tons in the previous year. The projected range, however, remains tentative in view of the uncertainty about its outturn in some countries, notably the USSR. The United States Department of Agriculture has estimated its output at a record 63.1 million tons. Canada's wheat crop is officially forecast at between 12 million and 15 million tons. The production outlook is also favourable in Western Europe and the outturn in the EEC could set a new record of between 48 and 50 million tons. In Australia, too, the prospects remain favourable where the output is forecast at 12 to 17 million tons. [as published] Thus the output of most of the wheat producing

countries is likely to be higher this year but the pressure of export commitments on their stocks is so great that it would be impossible for them to maintain prices at the lower level. The wheat Council has forecast that the imports of wheat by the USSR in 1980-81 will amount to 10-12 million tons. Likewise, China will import at least 9 to 11 million tons. Australia has already sold wheat to USSR, China and Japan. Besides, a large number of developing countries have placed their orders with the wheat exporting countries.

In this situation the prices of wheat have naturally escalated. The average price of wheat which was between 2.90 dollars per bushel in 1977 and 3.71 dollars per bushel in 1978 jumped up to 4.65 dollars per bushel in 1979. The closing prices of U.S. wheat futures for December 1980 range between 4.37 dollars and 4.85 dollars per bushel but they are likely to flare up in 1981 as the outflow to developing countries increases.

Implication

The implication of the rising trend of wheat prices for Pakistan is obvious. Pakistan has been importing wheat in substantial quantities during the past two years. In 1980 the domestic production exceeded the target of 10.61 million tons. Yet it needs about a million tons of imported wheat to meet its entire internal requirements. Even if it imports half the quantity as the Punjab Planning Board Chairman has said, the Government will have to subsidise it heavily because of the rising cost.

Next to wheat Pakistan has to import sugar, edible oils, dried milk, butter, tea and various other food items. Incidentally, the prices of most of these products are also rising in the international market. The future for soyabeen, which is imported for manufacturing vegetable ghee took a upward turn in July with most positions rising about 7 dollars per kilo as against 6.3 dollars in 1978-79. Pakistan also imported around 3 million kilograms of coconut oil at the rate of Rs 7.55 per kilo in 1978-79. The prices of this oil since then have risen to Rs 10.45 per kilo. Similarly, the country imported 267.8 million kilograms of palm oil at the rate of about 600 dollars per ton in 1979. By now the prices of this oil have jumped to 655 dollars per ton. Obviously therefore, the import bill for edible oils is also likely to inflate in 1980-81.

Value

Pakistan has also to import sugar in huge quantities at prices that have risen by 30 percent in the world market. In 1978-79 the country imported 969 tons valued at Rs 2,766.76 per ton. During the first nine months of 1979-80 (July-March) the value of sugar imported was 8.7 million dollars as compared to 0.2 million dollars in the corresponding period last year. Although the prices of sugar are showing a downward trend in the world market since March 1980, they are still higher than in 1978-79. The factors

responsible for the flare-up in the price of sugar were a decline in the production in Cuba and India, besides speculative buying in the world market. In Pakistan sugar production fell sharply by 29.4 percent to 6,07,291 tons in 1978-79. This was due to a decline in sugar-cane production. As the Punjab Chief of the Planning Board has just said, the harvest position is still unsatisfactory because of low yield. Pakistan, therefore, will have to continue importing sugar for some time more.

Pakistan is totally dependent on other countries for the supply of tea. In 1978-79 it imported 61.1 million kilo of tea worth Rs. 999,6 million. During the first nine months of 1978 the value was 76.2 million dollars as compared to 69 million dollars in the corresponding period last year. The import bill had deflated because of the declining trend in the world tea prices. In 1979-80, however, we imported larger quantity (10.4 per cent more) and it is, therefore, believed that the import bill would stay at the previous level even next year.

Another food item is butter, the average price of which increased by 90 percent in 1978-79. Pakistan imported 1,58,989 kilograms of butter (both canned and fresh) valued at Rs. 8.10 million in 1977-78; 37,761 kilogramm worth Rs 5.24 million in 1978-79 and 2,90,919 kilograms worth Rs. 4.21 million during the first half of 1979-80 (July-December). The unit price of butter was Rs. 13.22 per kilo in 1977-78 which has risen to Rs. 17.9. This year besides butter Pakistan also imports dried milk and cheese in huge quantities with the result that its import bill for food items alone is bloating beyond capacity. In 1979-80 the imports of consumer goods, including wheat, tea and dairy products, etc., declined by 10.1 percent which is primarily attributed to a fall of 71.3 percent in the import of wheat. But the overall import is not likely to show any decline because of the liberalised import policy in favour of raw materials for consumer as well as capital goods.

Factor

Another factor which is likely to affect Pakistan's foreign trade is the gradual increase in ocean freight rates. Although, according to latest reports, the freight rates are declining in many parts of the world they are still higher on the routes which Pakistan follows.

In short, there seems to be no relief from the inflationary blasts even in 1980-81. The only option before Pakistan is to adopt a more restrictive import policy and achieve self-sufficiency in the production of import substitutes in the shortest possible time.

CSO: 4220

COUNTRY NEARLY SELF-SUFFICIENT IN FOOD

Karachi DAWN in English 3 Aug 80 p 4

[Text] Lahore, Aug 2: The Chairman, Punjab Planning and Development Board, while briefing newsmen here today said that Pakistan, this year, was nearly self-sufficient in food and had to import only a million tons of wheat for its reserves.

He said that Pakistan was still better off than India as its agriculture production was much less than ours.

The chairman said that increase in wheat yield and other crops was due to the use of farm inputs by farmers, good climatic conditions and availability of water. He said as far as the inputs were concerned it should be continued to the used by farmers. [as published]

He said huge subsidy was being provided for input by the government, but one factor over which the Government and the farmer had no control was the climate.

He hoped this year enough sugarcane would be made available to mills for production of sugar.

Farm Credit

The Chairman, Planning and Development Board said that agriculture credit has been increased tremendously and Rs 200 crore worth of credit will be made available to farmers during the current year.

He said the National Bank of Pakistan had started an agriculture credit scheme under which it would provide credits for inputs and would supervise their use.

He said other banks were also working on the same lines.

The Chairman said the Government had decided to pay five percent subsidy to Government account to the banks if they continue with this procedure because the banks incur loss on this credit.

Mr Saeed Ahmed Qureshi also said that the Government has taken effective and adequate measures to get the country rid of the twin-menace of water-logging and salinity.

A sum of Rs three crore has been given to WAPDA for the Khairala drainage in Faisalabad, to supplement its efforts.

He said the Government had decided to provide financial help to the WAPDA for energising tubewells to increase availability water.--PPI

CSO: 4220

CO-OP TO PLAY KEY ROLE IN MARKETING

Islamabad THE MUSLIM in English 1 Aug 80 p 6

[Text]

LAHORE, July 31: Co-operative Societies in the Punjab are being prepared for playing a pivotal role in the production and marketing of agricultural produce, the Secretary, Co-operation, Chaudhry Abdul Majid, said here yesterday.

In an interview he said almost all the villages in the Punjab had nowbeen linked in a network of co-operative societies. There were 25,000 villages in the Punjab while the number of Societies now stood at 35,000.

The Societies besides distributing loans in different ways were also arranging for the disposal of the produce.

The Secretary said within a period of two years all the departments responsible for development of agriculture in one way or the other will perform their duties within the ambit of co-operation. There would be a greater co-ordination between them, and all the policies framed by them would be executed after mutual consultations between the heads of the concerned departments.

The government also contemplate further streamlining the system of distribution of seeds, fertilisers, other agricultural inputs and agricultural implements through co-operatives.

The system of providing cultivators loans in cash having failed to produce the desired results the government now plans to advance all loans in kind in future, he said. -APP

CSO: 4220

PROGRAM TO INCREASE SUNFLOWER CULTIVATION IMPLEMENTED

Peshawar KHYBER MAIL in English 29 Jul 80 p 4

[Text] Lahore, July 28: The import bill of edible oils having touched the highest ever mark of Rs 300 crore last year the government has embarked upon an extensive programme to encourage the cultivation of sunflower, safflower and soyabean in the country, writes an APP correspondent.

According to the official figures edible oils now come third on the import list slightly trailing behind petroleum products and machinery.

Considering the situation to be serious in view of the ever increasing demand of the banaspati ghee in the country the government has decided to reduce dependence as far as possible on the import of edible oils by increasing the production of oil seeds within the country.

The increase in the consumption of edible oils has been estimated at 50,000 tons per year which is 13 to 15 percent of the present import bill.

The factors responsible for the steep rise in consumption of banaspati ghee are stated to be rapid increase in population, migration of population from rural areas to the urban, and the changing eating habits of the people who now prefer fried things.

The government had imported five lakh tons of edible oils from abroad last year. This year the imports are likely to be around six and a half lakh tons.

The cotton seed which is also used for the production of oil and is available within the country has so far given a maximum production of 1,53,000 tons. Its yield declined last year due to certain reasons and the maximum production attained from this source was 1,10,000 tons.

The Ghee Corporation of Pakistan has manufactured 473,000 tons of ghee last year which also included 13,000 tons of cooking oil.

The officials say that cottonseed apparently lacks capacity to substantially register increase in its production. Its production has remained stagnant for the last 20 years. It continues to be sown on 12 lakh acres giving an average production of six maunds per acre.

However efforts are afoot to have cotton grown on larger areas to attain greater production of cottonseed.

Sunflower is being considered the future crop to meet the edible oil requirements. In the world at large it is being grown over an area of two and a half crore acres and 18 percent of the world oil requirements are met from this source alone.

The government has given a target of 35,000 acres to the agricultural department for growing sunflower this year. This would be in addition to the 15,000 target set for the Ghee Corporation of Pakistan.

Plans for motivating the public to grow sunflower have been undertaken on a large scale. The crop has been termed as a short-duration crop requiring 90 to 100 days to ripe.

It can be grown during the intervening period of major crops i.e. cotton or wheat. The cultivators having harvested the wheat crop and waiting for the next crop to be cultivated on the same lands have been advised to utilise the intervening period by growing sunflower on their lands.--APP.

CSO: 4220

ELECTRONIC EQUIPMENT DEVELOPMENT DISCUSSED

Islamabad THE MUSLIM in English 5 Aug 80 p 8

[Text]

ISLAMABAD, Aug. 4 Presidential Adviser on Science and Technology, Dr. M.A. Kazi, said here today that in order to develop technical manpower in the country, the government was planning to increase intake in electronic disciplines in universities and colleges.

He was speaking as chief guest at the inauguration of the four-day meeting of the U.N. affiliated Economic and Social Commission for Asia and Pacific (ESCAP), which began here today to study the possibilities of co-operation in the field of electronics technology among the member countries.

Delegates from six countries have already arrived and more are expected to join the meeting during the next four days.

Dr. Kazi listed a number of measures Pakistan has taken to augment industrial production, particularly in the field of Professional electronic equipment.

He said besides setting up an Electronics Wing in the Ministry of Science and Technology, a National Institute of Electronics was also functioning now with the primary task of research, design and development of electronic systems, equipment and components.

He said that a lot of importance was also being attached to the silicon technology because of its extreme importance to electronics and solar energy.

Dr. Kazi said in the current era of unprecedented scientific and technological advancement, no socio-economic development would be possible without the knowledge and effective application of science and technology. "It has also become abundantly clear that without capability in the field of science and technology a dependent status is inescapable for the developing countries", he added.

Earlier, the chief of the industrial Technology at ESCAP, Dr. Abid Hussain, speaking on the role of electronics in determining the societies, said this region was capable of crossing the new frontiers created by the developed Western countries. He said the youth from these countries was now manning the major scientific operations in Europe and America and there was no reason why they could not do the same for their own people and countries.

Dr. Hussain said that by deciding to meet on a complicated and difficult subject like electronics the ESCAP had made a "quantum jump", because the South Asian countries must move forward and accepted the new challenges posed by science and technology.

He pleaded that these countries should vacate certain areas of their industry in order to specialise in one or two fields and let the others specialise in other fields and then coordinate and cooperate with each other.

He said institutional support was imperative in the development of electronics but cautioned against the state intervention which could be instrumental in protection the inferior products.

CSO: 4220

KARACHI STEEL MILLS--PROGRESS, PERSPECTIVE

Lahore THE PAKISTAN TIMES in English 5 Aug 80 pp 4, 5

[Text] Karachi: The first blast furnace of the Karachi Steel Mill is scheduled to be fired by the end of 1980 while steel making plant and 800-m.m. billet mill would become operational in 1981, according to the sources close to PASMIC.

Full cycle of product mix is expected to be achieved by 1983-84. By the end of December, 1979, the overall progress of the project was 62 percent while the progress of the billet mill stage and the hot metal stage was as high as 75 and 95 percent respectively.

The Soviet assistance for Pakistan's steel mill project continues uninterrupted and its construction is expected to be completed on schedule.

The first integrated steel mills was now estimated to cost Rs. 20,350 million. The major requirements of the foreign exchange cost were being met out of the Soviet State credit so far amounting to 476 million roubles (Rs. 4,992 million).

The foreign assistance to meet the balance of external credits required for the project would be available without much difficulty. It is hoped that French credits amounting to Rs. 493 million and a Japanese suppliers credit of about Rs. 13.5 million were also available for the project.

Contract

Brazil will supply iron ore for Pakistan's first integrated steel plant. A long-term contract for the supply of ore has been signed between Pakistan Steel and Mineracoes Brasileiras Reunidas (MBR) of Brazil.

The contract envisages supply of 1.7 million tonnes of iron-ore fines and 1 million tonnes of iron ore lump over a period of six years. The first ship carrying ore is expected to leave Sepetiba port in September this year to discharge at the Pakistan Steel Jetty at Bin Qasim in October.

When in full production, this first integrated Steel complex would consume about two million tonnes of iron ore annually to be imported from Australia, Brazil, Canada, India and Liberia.

A six-year agreement has been signed for the supply of 1.7 million tonnes of Liberian iron ore fines to Pakistan Steel. The Liberian ore from Mount Nimba in western Liberia will be supplied from port Buchannan and the first ore ship is expected to discharge at the Pakistan Steel jetty at Bin Qasim in November this year.

Pakistan will import 1.7 million tonnes of specular heamatite iron ore fines from Canada also during the next six years.

Pakistan Steel has already concluded agreements with India (1.93 million tonnes) and Brazil (2.7 million tonnes) for the supply of ore.

About 84 percent of iron-ore requirements of the Soviet-aided under-construction Karachi Steel Mills will be imported mainly from Australia, Canada and Brazil.

The price of Indian iron ore is competitive because of freight advantage and this could greatly reduce the cost of production of the under-construction mill.

Price

To set at rest the controversy about import of iron-ore from India, it was decided that Pakistan should not become totally dependent on that country for its iron-ore requirements for the 1.1 million ton steel Mills at Pipri. It was, therefore, decided that instead of importing the whole required iron-ore, a substantial quantity will be imported to keep the cost of steel production as low as possible, as the imports from other sources would cost much more than the Indian ore.

The Pakistan Industrial Development Corporation is considering the feasibility of supplying iron-ore to Pakistan Steel at Pipri from Chigendik Pachinkoh in Chagai district of Baluchistan.

According to an official source, the geological studies conducted by PIDC and Chinese experts have indicated the prospects of 100 million tons of iron-ore at Pachinkoh alone in Baluchistan.

So far, the 13 million tons of high grade ore with an average 50 percent iron content have been proved in Chagai district of which eight million tons are in Pachinkoh area, while another five million tons iron-ore has been confirmed in its vicinity at Chigendek.

PIDC has commissioned three new rigs for iron-ore drilling at Pachinkoh and plans to drill another 10,000 metres in this area as well as at Chigendik in view of encouraging results achieved so far.

Samples of iron ore pellets obtained from these two places in Chagai district of Baluchistan have already been examined by the Japanese consulting institute which found them possessing excellent potential for metallurgical use.

Studies conducted on ores have indicated encouraging results and that they can be even upgraded to over 65 iron content by magnetic concentration.

Yet another advantageous aspect of this operation is that iron-ore is not very deep and is concentrated in a small area. Moreover, the site of iron ore extraction is about 16 kilometres from railway line.

The Federal Cabinet has also decided to permit the Pakistan Steel Mills Corporation to set up its own shipping and transportation arrangements for iron ore and coal through appointing suitable consultants or brokers so that it can commence its operation by the end of this year.

Such arrangements would not involve any direct expenditure on the part of the Corporation as the consultants or brokers would get their normal commission from the ship owners as is the normal practice in charter business.

The appointments of consultants or brokers by the Pakistan Steel Mills Corporation would be subject to approval of the Coal and Iron Ore Negotiation Committee which comprises representatives of the Ministry of Production, Commerce, Finance and Pakistan Steel.

For this purpose, the committee will be strengthened by the addition of Chairman Port Qasim Authority, who would be a member of this Committee for the purpose of dealing with shipping matters.

The Committee would also take decisions on any long-term proposals for shipping arrangements along with financial implications such as the setting up of off-shore transshipment facilities suggested by the consultants.

The possibility of organising a bulk carriage company for shipment of iron ore or coal would be explored in order to have Pakistan own arrangement for shipping available within the next five years. Such a bulk carrier company could be a joint venture between PNSC and Pakistan Steel as well as foreign investors.

Possibility

In anticipation of the first blast furnace being fired in December this year, the Pakistan Steel Mills have been making arrangement for the supply of iron-ore and coal that will be needed for the mills. Two long term contracts have already been signed in this connection with India, Australia, Brazil and other countries. Although the Indian iron ore, according to

one report is not of a very high grade, its import has the cost advantage on account of lower freight. Additionally, the agreement is a demonstration of goodwill towards a neighbouring country. Another contract has been signed with Brazil, Australia, Canada and Liberia will also supply iron ore and coal for the Steel Mills. The size of the imports can be gauged from the fact that for one million tons of planned annual steel production, two to three million tons of iron ore will have to be imported. This huge quantity of imports is to be handled by Port Qasim, which will receive the first consignment of imported iron ore and coal in September.

It is a matter for satisfaction that after the initial delays, both the projects have gone ahead according to the revised schedule with perhaps only minor upsets, Pakistan is going to make a last start with steel-making, and considering the time already lost, it is most vital that the revised schedule for the commissioning of the Steel Mills be scrupulously adhered to. T is is our single biggest industrial enterprise, which can be expected to play the role of a catalyst in the industrialisation of the country. With the installation and firing of the first blast furnace, the stage is set for the Steel Mills to make an operational beginning. The integrated steel complex will go into production in two stages. In the first phase steel making plant and billet mill will become operational some time next year. The second stage is expected to be completed in 1983-84. In view of the costly initial delays it is essential to ensure that progress towards completion is not allowed to be interrupted and that the under construction project does not fall a victim to shortage of funds or materials. The Steel Mills are being built with Soviet technical help and credits. About 84 percent of the equipment needed for the Steel complex has already been delivered by the Soviet Union. A large number of Soviet engineers and technicians have been deputed to set up the mills, Pakistani personnel are also being trained here and in the Soviet Union.

Out of the t[illegible] foreign exchange requirement of Rs. 7,871 million, the Soviet [illegible] so far provided credits in the amount of Rs. 4,992 million (the [illegible] total estimated cost of the entire steel complex is 20,350 m[illegible]). In view of the regional situation, the Federal Production Minister was asked recently at his Press conference regarding the outlook for continued Soviet technical assistance and credits. It was reassuring to learn from the Minister that the Soviet participation in the construction of the Steel Mills had not been affected. Moreover, he held out an assurance that there would be no difficulty in obtaining foreign assistance for meeting the balance of the external credits required for completing the project. In this connection, he mentioned that French credits of Rs. 493 million and a Japanese suppliers credit of about Rs. 13.5 million were also available for the project. Thus, the situation regarding the availability of funds seems to be satisfactory. But considering that the inflow of external assistance is sometimes subject to vicissitudes, it is important to bear eventualities in mind

and to be prepared to face them if they at all arise. Unless planning preempts all possible upsets and impediments the result will be an increase in the cost of the project on account of resultant delays. One hopes very much that the present progress will continue unhampered and that the project will finally according to schedule.

The pledging of an additional Soviet credit of 765 million dollars for the Karachi Steel Mills should accelerate the pace of work paving the way for putting the first blast furnace into operation by December 1980. The slow progress of work has not only delayed the commissioning of the project originally due to be pressed into service by 1978-79, but has also escalated the cost. The steel plant, designed to have an initial annual capacity of 1.1 million tons, is expected to cost 2015 million dollars as against the original estimate of 1400 million dollars. It is therefore, necessary that the schedule is strictly adhered to. Unnecessary delays will only lead to further upward revision of the cost creating serious bottlenecks in its execution. The Soviet Union has shown a positive gesture by acceding to Pakistan's request removing the main snag in the completion of the project.

It is only after the advent of the present Government that the work on the giant project has picked up steam and now Pakistan can look forward to the commissioning of the plant by the end of 1980. The foundation stone of the Steel Mills was laid in December, 1973 after two-and-a-half decades of procrastination. Too long years have been wasted on deciding its location etc. In view of the prime importance of a sound metallurgical industry for national development and defence, the need for expediting its completion cannot be overstressed.

For developing countries like Pakistan, raising abysmally low standards of living conditions require more and more steel. If poverty is to be eliminated or even limited, there must be more and more of goods and steel lies practically at the centre of all goods. Iron and steel industry is thus pivotal to the rapid growth of Pakistan industry, particularly heavy industry. It is a key national industry, which literally holds reign over an modern society. It is thus no wonder that economists today use the rates of consumption of iron and steel as a measure of growth rates and standard of living. The per capita consumption of steel in Pakistan is less than 10 kilograms as compared with 400 kilograms of Japan and 500 kilograms of U.S.A.

Happily Pakistan has made a modest beginning towards providing a sound base for industrial development. For, without a steel mill, prosperity of other industries is but a dream. Karachi Steel Mills is the biggest single project in Pakistan, costing more than even the Tarbela Dam. The foreign exchange cost is being largely provided through Soviet credits. In addition, Pakistan Government is also making liberal allocations from the federal budget which is indicative of the importance attached to

developing industries, essential to the growth of a viable industrial base and for making progress towards self-reliance. The completion of the first phase of the project by the end of 1980 would give enough confidence to the Pakistani engineers to make preparations for the second blast furnace which would be a more complicated exercise.

Since inception till November, 1977, the cumulative expenditure amounted to Rs. 420.7 crore, including credit utilisation of Rs. 84 crore. Hence a good deal of effort and speed will have to be put into the task to ensure that the mill goes into production by the end of 1980. It is all the more necessary if full cycle of production is to be achieved by 1981-82. When in full production, the project is expected to yield a net foreign exchange saving of Rs. 225.5 crore.

(DO/ 4220

FUNDS FOR LIVESTOCK PROJECT APPROVED

Peshawar KHYBER MAIL in English 3 Aug 80 p 6

[Text]

LAHORE Aug 2 The Rs 11 crore Punjab livestock project, Sheikhupura, has been approved by the Central Development Working Party, it was officially learnt here the other day

The project first of its kind in the country, aims at improving milk production and marketing among small farmers and landless peasants in the Nankana Sahib and Sharaqpur tehsils

Of the total cost of the project Rs 6 crore will be provided by the World Bank and Rs 5 crore by the Punjab Government

The project's components are the Lahore Milk Plant Field Service Organisation, improvement of livestock production education, expansion of Qadirabad artificial insemination service and satellite survey

The Lahore Milk Plant with its present capacity of processing 15,000 litres daily of pasteurized milk would be expanded to to process 80,000 litres daily by adopting a new process

The Field Service Organisation component envisages the establishment of 150 village livestock associations in selected villages where at least 50 villagers agree to form the association under special VLA ordinance About 50 village livestock associations have already been formed By the end of June last presently supplying about 6,000 litres of fresh milk for processing at the Lahore milk plant

The Village Livestock Associations would provide stable marketing services for milk to the farmers at their doorsteps so that they could get reasonable price for their milk abased on actual better fat testing and thereby eliminate the middle [illegible]

CSO: 4220

BRIEFS

REFUGEES FIGHT LOCALS--Quetta, July 30: The Martial Law Administrator Zone 'D' Baluchistan has directed that a high-level Martial Law inquiry may be conducted into the incident that took place at Nushki on July 12, as a result of a clash between the Afghan Refugees and some of the locals. A Press note issued here today said that some mischief mongers were spreading rumours about this incident which aimed at exploiting the situation for their own interest. The announcement said that as a matter of fact, a local motorcyclist had hit an Afghan refugee. The hot exchange of words between them led to a fight between the locals and Afghan refugees in the Nushki Bazar. As a result one Afghan refugee was killed while 17 others were injured, three of them seriously. Ten locals who received injuries, have recovered and are out of hospital. The Camp of Afghan Refugees located close to Nushki town has since been shifted to a different area away from the town.--APP [Text] [Islamabad THE MUSLIM in English 31 Jul 80 p 1]

SHORTAGE OF MEAT, MILK--Karachi, July 28:--Livestock wealth in Sind Province will be developed on modern lines in order to meet shortage of meat and milk. According to Sind government sources a feasibility report will be prepared this year to assess the livestock resources in the province and the ways for its further improvement. The study will cost Rs 2 lakh. Besides, a well-equipped modern veterinary diagnostic laboratory will be set up at Hyderabad to provide treatment facilities to the animals.--APP [Text] [Peshawar KHYBER MAIL in English 29 Jul 80 p 4]

SUBSIDY FOR WHEAT, SUGAR--Quetta, July 30: The Provincial Government has provided 129.59 million rupees as subsidy for the sale of wheat and sugar to consumers at reasonable prices in Baluchistan this year. It is 7.016 million rupees more than the subsidy provided last year. Official sources said that the amount of subsidy this year included 10.4.49 [as published] million rupees for wheat and 25 million rupees for sugar. Meanwhile, the Government plans to increase food grain storage capacity by 7,500 Metric tons. Raising total capacity to 84,800 Metric tons in the Province this year. [Text] [Quetta BALUCHISTAN TIMES in English 31 Jul 80 p 1]

SHEET GLASS PROJECT--Islamabad, Aug. 2:--A 15-member Chinese team today left for Nowshera, to launch the Rs.100 million sheet glass project. They will also supervise the initial production of the plant which is a project of National Police Foundation. The Chinese team will be staying in Pakistan for nine months. The production of Nowshera Sheet Glass Factory will meet the entire requirements of the country, the Foundation sources said, the factory will start its production by January next, according to the Foundation plans.--APP [Text] [Islamabad THE MUSLIM in English 3 Aug 80 p 5]

BIO-GAS PLANTS PLANNED--Islamabad, Aug. 4:--The Energy Resources Cell of the Ministry of Petroleum and Natural Resources has embarked upon a project under which 1,200 bio-gas plants would be set up all over the country during the next three years, official sources said here today. A commercial bank has agreed in principle to extend soft loans against the government approved family bio-gas units. A total of 100 bio-gas projects have so far been set up in the country by the Energy Resources Cell. Out of the 100, 75 were subsidised. The government has allowed a subsidy of Rs.2600 on a family sized bio-gas unit. With the installation of the first bio-gas community plant at Rakh Taragarh near Rawalpindi, the biogasification of animal wastes has started to gain acceptance in rural and semi-rural areas. The bio-gas produced at some of the plants set up by the Cell is capable of generating 25,000 to 125,000 kilowatt per hour of electricity per year, which would be sufficient to electrify a village having 100 to 500 houses.--PPI [Text] [Islamabad THE MUSLIM in English 5 Aug 80 p 3]

CSO: 4220

VOA REPORT ON AQUINO RAISES QUESTIONS

Manila PHILIPPINES DAILY EXPRESS in English 27 Jul 80 p 4

[Article by Teodoro F. Valencia]

[Text]

THE VOICE of America, on July 25 at 7 a.m. came out with a special report by Al Phenson on ex-Sen. Benigno Aquino Jr. The report said Aquino is heading a movement to unify Christian and Muslim oppositionists, possibly the Communist Party of the Philippines also. Once unified, Aquino proposes to ask the United States to put pressure on President Marcos to lift martial law and call a general election. Aquino said that the result of the election, which will be supervised by an international body, will be final and binding on the Filipinos.

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The report confuses me. It pictures Aquino in a rather dubious role. The possible conclusion is that he is working for the United States since the US State Department was also quoted in that VOA report as somehow inclined to the idea. There is the other possibility that Aquino may already be working for President Marcos. There is nothing in the reported Aquino plan that will not be favorable to President Marcos – Marcos is certain to carry any national election if such an election could be held peacefully and the results tabulated fairly.

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If Aquino were speaking from conviction, it only means that he has been out of touch with Philippine realities. I doubt that the Filipinos will look kindly on the American supervision of any Philippine election. I also do not see how this report can be considered fair to Aquino. It presents him as an agent of the American State Department who has faith only in an international body. I had always been under the impression that Aquino is a firm nationalist.

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If Aquino is talking about his organization, it cannot be anything Philippine-based. It can only be the Manglapus group, one that is definitely American-supported and inspired. I don't believe this position is consistent with anything that Aquino had been in the last few years. Is it possible that from far away, he has lost his perspective? There is no crisis in the Philippines that can warrant American, much less, international intervention.

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The VOA report assumes that Nur Misuari of the MNLF's overseas group and Rashid Lucman, the self-styled leader of the Bangsa Army, are in control of the Muslims of the Philippines. This is an axiom that neither the US government nor Aquino can prove.

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The VOA report said, "Sen. Aquino says the US should put pressure on President Marcos to end martial law and hold free elections. And the senator says the United States should be neutral in the various disputes of Philippine political groups." How is that again? How can America be neutral and at the same time put pressure on

President Marcos to do what the opposition admits it can't do by itself even if united? The same VOA report said that "a spokesman of the State Department says the United States does not take sides in Philippine politics." But the VOA in airing this special report does not sound too neutral either.

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President Marcos has said more than once that after the rebellion in the South is quelled and peace can be restored, he would lift martial law and call for a general election. This is the same line that Aquino took in this interview, assuming it were a correct report by VOA. I have some suspicion that Aquino is already working on the same wavelength with President Marcos.

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The American press once again went to town on the student demos. The *Washington Post* and the *Washington Star* said that scores of demonstrators in Manila were hurt. The issues were tuition fee increases and increasing militarization of the campus. The *Honolulu Advertiser* said that tuition fee increases and the US economic dominance of the Philippines were the issues. The stories said that students were hit by club-wielding policemen – two women were knocked down unconscious. The reports said 300 students were arrested. The way the US press does it, we are the enemy, not the Soviet Union nor Cuba. Even the Voice of America is already at it. Facts never influence their biases and stories.

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You are not getting all the news about these student demos. The truth is that many of the universities are already ruined –no more desks and tables. The students are not the culprits. They are being infiltrated by outsiders. This is what the government intends to do something about. It is hard to believe that students who want better instruction on lower tuition fees can destroy the very schools where they're enrolled. The destruction is such that it is now a problem how to conduct classes.

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Stock traders who have been objecting to the reimposition of the capital gains tax on profits at the stock market have reason to cheer. The new version of the capital gains tax virtually removes all taxes on stock trading. Losses may be deducted from gains and if there is anything left that could be slapped the capital gains tax, this can be re-invested to escape the gains tax. The one-fourth of one percent tax will be removed too. The result will be a lively market and no tax. The government can afford to miss the P5 million to P8 million taxes if the result will be heavy investments in priority industries.

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The rice farmers of Bago City and the people of that city are suffering a rice shortage. The middlemen, mostly Chinese, are making hay in Bago and the province of Negros Occidental. As of mid-July, rice is selling at P125 per 50 kilograms. It was only P105 on June 15. In the barangays, rice retails at P7 per ganta, something the people can't afford. The next harvest will be in the first week of September. Between now and then, only the NGA can help by selling directly to the people instead of through wholesalers and retailers who re-sack the rice and sell it as commercial rice.

EXECUTION OF 41 CONVICTS Sought

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 80 p 1

[Text]

THE MILITARY recommended yesterday the immediate execution of 41 death convicts as it took a tough stand against organized crime.

Meeting in Camp Aguinaldo, military authorities updated a four-point plan against syndicated crime with emphasis on prevention.

The meeting, presided over by Maj Gen Fidel V. Ramos, PC chief, was called to assess the peace and order situation. Twelve generals from the PC, the defense ministry and the integration police attended.

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A DEFENSE ministry spokesman said that aside from the recommendation to President Marcos to order the executions, the group also agreed to:

1. Submit another proposal to the President for the creation of special courts to operate full time in trying cases on syndicated crimes such as kidnaping for ransom, armed robbery, and camaping.

2. Draw up an order of battle for criminals to identify criminals and set up a system for rewards for their capture.

3. Expedite all administrative processes on the immediate confiscation of lands found to have been planted to marijuana.

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THE SUPREME Court has affirmed the death sentence imposed on 41 persons being recommended for execution. All of them were tried by military courts.

CSO: 4270

SIX TOP AIDES OF USMAN SALI SURRENDER

Manila PHILIPPINES DAILY EXPRESS in English 24 Jul 80 pp 1, 6

[Article by Vic Pena]

[Text]

ZAMBOANGA CITY, July 23 — Six top "foreign trade" sector commanders of the Moro National Liberation Front based in Patikul, Sulu, surrendered this afternoon to Rear Admiral Romulo M. Espaldon, commander of the Southern Command.

Their surrender laid the groundwork for the surrender of at least 1,500 MNLF hardcore followers from the Sulu archipelago, the military said.

The First Army "Tabak" Division in Sulu identified the six MNLF sector commanders as close aides of Usman Sali, who gained international notoriety for the massacre of the late Brig. Gen. Teodulfo Bautista and 34 other AFP officers and men in Patikul two years ago.

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THE SIX MNLF commanders who were received this afternoon by Espaldon were Amirajad Sabayani, Bakai Jajiri, Aidel Sali, Hamdirudit Aradain, Hail Allain and Nasser Sumidi.

Sabayani and Jajiri, at the time of their surrender, had a P50,000 prize each on their head.

The six commanders would not want to comment, however, on whether or not they participated in the Bautista massacre.

They also declined to say anything about the reported slaying of Usman Sali earlier this year.

The surrender of the top six rebels came after several weeks of negotiations conducted by their close relatives.

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ESPALDON, meantime, said the military is standing pat on a government policy against the payment of ransom for persons kidnaped by terrorists in this region.

Espaldon made his announcement as he confirmed that 13 persons are being held hostage by MNLF terrorists in Basilan.

He also confirmed that the kidnap men had demanded money and guns for the release of the kidnap victims who have been held captive since last week.

Espaldon attributed the recent rash of kidnapings in the region's remote areas to dwindling resources of the MNLF who, he said, have found it difficult to get logistical support from their usual sources abroad. — VP

CSO: 4220

NPA LOSING MASS BASE IN SAMAR

Manila PHILIPPINES DAILY EXPRESS in English 21 Jul 80 p 6

[Text] **A GROUP** of Samar mayors has revealed that the New People's Army in Samar is losing its mass base support and many of its sympathizers want to surrender to the government.

However, according to the NPA members, they are not prepared for their surrender because of the social and economic problems they would create. The mayors urged a more aggressive information campaign in Samar to inform the people what the government is doing for them.

The revelation was made shortly before the Development Coordinating Council for Leyte and Samar, which is undertaking civic-action and infrastructure projects in Samar, marked its third anniversary last Friday.

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THE DCCLS was created by the President in his Letter of Instruction No. 576 which was signed July 18, 1977.

LOI 576 noted the deteriorating peace and order situation in Leyte and Samar and the urgent need to contain the spread of insurgency in the area.

It ordered "a massive, coordinated and sustained inter-agency development program for Leyte and Samar to be immediately undertaken" and that the "construction of infrastructured projects be initiated and/or accelerated like roads and bridges, airport and harbors, schoolhouses, hydro-electric plants, and such other development projects geared toward enhancing socioeconomic uplift of the people in the area."

The President designated Jose M. Crisol, presidential assistant on civic action and undersecretary for home defense, as coordinator, with representatives of different ministries and key government agencies as members.

It also authorized the Development Coordinating Council "to call upon any ministry, bureau or instrumentality of the government for any assistance that may be required."

The DCCLS, in the past three years, through its implementing arm, the 51st Engineer Brigade, has initiated several infrastructure projects in Samar, notably the construction of 1,200-meter Pivardo Airport in Bolores,

the repair of the Can-Avid-Oras road; the construction of the Arteche Hospital in Northern Samar; the construction of an NGA warehouse in Oras, Eastern Samar and the construction of school houses and health centers. It is presently undertaking the construction of highways to connect the eleven municipalities of northeastern Samar; which have remained isolated from each other and from the rest of the island for lack of roads.

CSO: 4220

STUDENT OPPOSITION TO TUITION FEE INCREASES

Manila PHILIPPINES DAILY EXPRESS in English 26 Jul 80 p 4

[Editorial: "Student Protests"]

[Text] ON ISSUES such as academic freedom and the increase in tuition fee, government policymakers should at least be receptive to what the people feel and say. This is basic in any democracy that considers sovereignty as emanating from the people.

In the past two weeks, colleges and universities of Metro Manila have been the venues of the students' opposition to tuition fee increases. Students from many universities have resorted to boycott of classes, mass meetings and marches to air their gripes, after perhaps finding that efforts to reach education officials through the public hearings conducted have proved futile.

It is well that these spontaneous protests were documented by "action" photos that have appeared in all major newspapers, lest school security guards and policemen in plainclothes could deny that they broke up these gatherings through methods other than persuasion. The police, of course, can very easily say that these student demonstrators do not have permits, but do city and municipal mayors give out permits to hold such legitimate forms of airing opinions?

The violence that happened on Arroceros st. the other day when some 220 policemen and crowd control aides forcibly dispersed 1,500 demonstrators was nothing short of similar scenes we have witnessed in the early 1970s. Generally peaceful mass actions such as that one before the Ministry of Education and Culture should have been allowed to dissipate normally. The students came as a group to dramatize their objection to a Batasan bill on education, and their protest against high tuition fee. By putting a cordon around the MEC building, are the police preventing the citizens to be heard by Education Minister O.D. Corpuz, who represents them in the legislature? And why should those young boys and girls who dared voice out what they think on perfectly legitimate issues be clubbed and whipped by truncheons?

With the way the police are implementing their crowd control program, we in media might find it hard to explain to the outside world that Foreign Minister Carlos P. Romulo's statement that the New Society "may be authoritarian but is not oppressive" is true.

CSO: 4220

BRIGADES TO TRAIN 20 MILLION FOLK NATIONWIDE

Manila PHILIPPINES DAILY EXPRESS in English 30 Jul 80 pp 1, 6

[Text]

SOME 21 million barangay members, or almost half of the country's population, will be tapped for the brigade teams to implement development projects in the rural areas.

The Ministry of Local Government and Community Development said it has started preparing for the training of brigade members.

Each of the 17 brigades in barangays will have 30 members to be trained starting in September.

The MLGCD has been making arrangements with the Ministry of Agriculture for the setting up by the food brigade of a barangay food reservation containing fruit and vegetable nurseries as well as a livestock breeding and upgrading station.

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AN EDUCATION brigade, on the other hand, will establish a public library in the barangay, while a ladies brigade will be tapped for the "Himug ng Bayan" project involving the holding of regular cultural presentations.

The projects, the MLGCD said, will extend basic services to the community in 17 development areas and promote self-reliance within the barangay.

During the September training of members, the brigades will be given guidelines for the projects and made to plan for their immediate implementation after the seminar.

The MLGCD said it is not necessary to organize new "information brigades" to develop awareness and appreciation of government programs and policies as proposed by certain quarters recently.

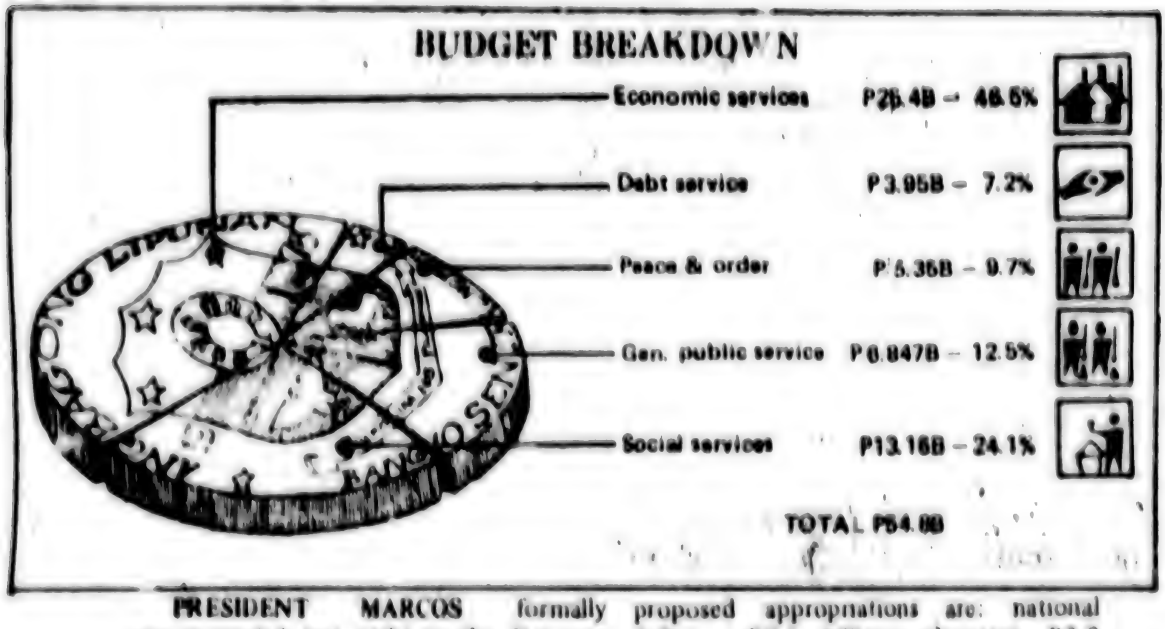
CSO: 4220

SERVICE-ORIENTED P55-B BUDGET PROPOSED

Manila PHILIPPINES DAILY EXPRESS in English 29 Jul 80 pp 1, 6

[Article by Mel Parale]

[Text]



PRESIDENT MARCOS formally recommended last night to the Batasang Pambansa the enactment of a P54.8-billion national budget for 1981 devoted largely to attending to the people's basic needs.

The proposal was embodied in Cabinet Bill No. 35 introduced by the President and co-authored by 22 Cabinet ministers.

The proposed national outlay is P13 billion more than the current national appropriations and devotes about 55 percent to the 11 basic human needs.

The President described the budget proposal as a "humanist reaffirmation that must result in an improvement of both economic well-being and social justice for all Filipinos."

THE SEVEN ministries with the biggest proposed appropriations are: national defense, P7.1 billion; education, P3.8 billion; energy, P2.36 billion; public works, P2.3 billion; public highways, P2.1 billion; health P1.8 billion and human settlements, P1.1 billion.

The other ministries, offices and other budgetary requirements with their respective proposed allocations, office of the President/Prime Minister, P1.48 billion; Batasang Pambansa, P7.3 million; National Economic and Development Authority, P483 million, agrarian reform, P268 million, agriculture, P940.9 million, state universities and colleges, P1.28 billion.

National resources, P919 million; finance, 463.4 million; foreign affairs, P513 million; industry, P953 million; justice, P296 million; labor and employment, P98.7 million; local government and community development, P222.4 million.

Public information, P76.6 million; social services and development, P148.8 million; tourism, P68 million; trade, P168.7 million; transportation and communications, P675 million.

Youth and sports development, P11.6 million; National Science Development Board, P217 million; Office of the Solicitor General, P8 million; judiciary, P301.7 million; constitutional offices, P381 million; Tanodbayan, P7 million; autonomous region, P68.2 million; calamity fund, P400 million; corporate equity investment fund, P1.3 billion.

International commitment fund, P750 million; national assistance to local governments, P5.4 billion; national priorities support fund, P6.6 billion; personnel benefits fund, P1.48 billion; property insurance fund, P150 million; social pricing and development adjustment fund, P2 billion; and general funds adjustment, P1.2 billion.

* * *

THE PROPOSED budget's sectoral expenditure was broken down as follows: economic services, 46.5 percent or P25.49 billion; social services, 24.1 percent or P13.1 billion; peace and order, 9.7 percent or P5.3 billion; general public services, 12.5 percent or P6.8 billion; debt service (interest and repayment), 7.2 percent or P3.5 billion.

The President listed the following program priorities in the budget: energy development, prices and inflation corrective measures, the amount of P2.2 billion of which is set aside to offset a projected 10-percent increase in production costs of basic commodities and to equalize price differentials of imported oil products, productivity, and employment.

The 11 basic needs will get 55 percent of the proposed national outlay, broken down as follows: power, P6.9 billion; mobility, P6.4 billion; education, culture and technology, P5.6 billion; water, P2.3 billion; food, P2.2 billion; medical service, P2.2 billion; ecological balance, P1.9 million; economic base, P1.4 billion; shelter, P975 million; clothing and cottage industry, P50 million; and sports and recreation, P32 million.

The proposed budget would tap earnings from casino operations to underwrite the flood control projects, socio-civic infrastructures comprising about 5 percent of the total proposed national outlay.

The President spelled out measures to be initiated for tariff reforms designed to socialize taxation.

CSO: 4220

GOVERNMENT ANNOUNCEMENTS ON TAX SYSTEMS CONTRADICTORY

Manila PHILIPPINES DAILY EXPRESS in English 2 Aug 80 p 4

[Article by Teodoro F. Valencia in "Over a Cup of Coffee" column: "Contradicting Views on Taxes"]

[Excerpts] The Government is speaking from two sides of one mouth. On one side, President Marcos announced that instead of the net tax system, the government will adopt the gross tax system on incomes. Finance Minister Cesar Virata, on the other side, wants the gross taxation on stock market transactions reverted to the "net" system of capital gains taxation. Which is which? Is it possible they don't communicate in the inner sanctum of government?

Between 1970 and 1979, the transfer tax collections totalled P89.6 million, without costing the government one centavo to collect. If the capital gains tax is re-imposed, the cost of collection would be more than the expected collection. Graft and corruption would set in. The stock market would die. Collections will dwindle because there will be no gains in a dying or dead market. The honest approach should be outright abolition of the stock markets. It is kinder.

One of the biggest copper mining ventures (Batong Buhay Mining Company) collapsed 18 months ago because local credit for Philippine services and supplies was cut off by DBP after the bank itself had extended Batong Buhay loans to buy $100 million worth of machineries. A few more millions and the mine would have functioned. After DBP took over in 1979, what happened? Up to now, there has been no production. Philex, the chosen operator, can only volunteer to make the mine work up to 50 percent of rated capacity and for a fee of P1 million a month, no guarantees of success. I don't blame Philex either. Philex knows only too well that it can also be a victim of DBP's methods of killing projects through inaction.

We have already ordered the equipment for the copper smelting plant, complete with the huge sulphuric acid plant. Curiously enough, the order for the much bigger fertilizer complex cannot be placed before 1981. The disastrous result will be that the copper smelter cannot operate until the fertilizer complex is ready. The smelter plant, without the fertilizer complex, will produce poisonous sulphuric acid fumes that can kill people and damage our natural resources. This is a demonstration of serious mismanagement of our economy.

CSO: 4220

DECREASE IN BALANCE OF PAYMENT DEFICIT OVER LAST YEAR

Manila PHILIPPINES DAILY EXPRESS in English 17 Jul 80 p 12

[Article by George T. Nervez]

[Text] THE COUNTRY'S overall foreign exchange transactions or balance of payments (BOP) is projected to show a deficit of about $380 million this year, Central Bank Gov. Gregorio S. Licaros said the other night.

Licaros said the CB expects a trimmed down BOP deficit from last year's $570 million gap, on the basis of the country's economic performance during the first six months of 1980.

However, a widening deficit estimated to reach close to $2 billion is projected in the merchandise trade (exports minus imports) because of the higher import payments, particularly for crude oil, Licaros added.

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THE CB has reported that as of end-June 1980, the deficit in the BOP amounted to $206 million, an improvement from the $395 million registered during the first semester in 1979.

The trade balance, however, showed a higher deficit amounting to $973 million as import payments for essential producer goods and crude oil continued to advance.

Because of the large merchandise trade gap, the current account deficit rose to $787 million.

Despite the setback in the merchandise trade, a lower BOP deficit was reported because of massive net inflows of short and long-term capital funds.

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DURING the first semester, net capital inflow amounted to $505 million, consisting of short-term loans to finance oil importations.

Obviously, the BOP picture for 1980 will be influenced largely by capital flows during the second semester, because whatever gains are made in the exports are expected to be offset by the ever increasing import bill.

Licaros said that the latest round of price increases imposed by the Organization of Petroleum Exporting Countries (OPEC) will increase the oil import bill to an estimated $2.5 billion.

On the other hand, the export earnings are projected to grow steadily from higher gains in sugar and its products, mineral products, fruits and vegetables, unmanufactured tobacco, non-traditional manufactures and non-traditional unmanufactured products.

CSO: 4220

SIY GROUP BUYS 40 PERCENT OF CBC SUBSIDIARY

Manila PHILIPPINES DAILY EXPRESS in English 25 Jul 80 p 11

[Article by George T. Nervez]

[Text]

FRESH from the successful takeover of the Security Bank and Trust Co., the group led by textile magnate Ramon Siy has gained a foothold in a Hongkong-based subsidiary of another Philippine commercial bank.

Highly reliable industry sources disclosed that the group has acquired 40 percent equity in the CBC Finance HK Ltd., a deposit taking financing subsidiary of the China Banking Corp.

The HK firm has a paid-up capital of HK$20 million of which 53 percent is owned by China Banking. The Siy group (all Filipino-Chinese textile tycoons led by Siy, Dewey Dee, Philip Ang and Willy Co), has put in 40 percent of equity or HK$8 million (about P13 million).

THE GROUP'S equity investment in CBC Finance is seen as a step towards eventual entry into China Banking, in line with Security Bank's move towards universal banking.

China Banking is one of the largest private commercial banks controlled by another group of Filipino-Chinese led by the Dee family. As of end-March 1980, the bank had total assets amounting to P3.3 billion and networth of P154.5 million.

The Siy group holds the majority ownership in Security Bank following their acquisition of the shares formerly held by the Jacinto family and the Bank of Nova Scotia.

INDUSTRY sources observed that in buying into CBC Finance, the Siy group may just be positioning themselves for eventual entry into China Banking.

This is seen as a relatively easier maneuver for the Siy group because China Bank is listed and freely traded in the local stock market.

Moreover, it was noted, China Banking shares are held by Filipino-Chinese with whom the Siy group has close personal and business relations.

Siy has set a track record for successfully breaking into business closely held by other business groups. He bagged a seat in the board of the San Miguel Corp., where the Soriano interests hold sway.

Before his election to the SMC board, Siy and his group successfully took over the Redwood National Bank, a small bank in the United States West Coast. Acquisition for this US bank was an estimated $15 million in cash.

Late last year, the Siy group pulled out their holdings estimated at not less than P60 million from the International Corporate Bank (Interbank). Siy, together with Willy Co also hold equity in the Lucio Tan-controlled Allied Bank.

CSO: 4220

JUMBO LOAN PACT SIGNATURE EXPECTED

Manila PHILIPPINES DAILY EXPRESS in English 2 Aug 80 p 9

[Text]

THE $100-MILLION loan being sought by the Central Bank through a syndicate of foreign international banks, is expected to be signed later this month, according to a senior CB official.

"We do not expect any problems in raising the $100 million loan," CB senior deputy governor Gabriel Singson said.

THE MANILA-based Asian Development Bank (ADB) announced yesterday that its lending rate for loans approved on or after July 1 would carry interest rate of nine percent per annum instead of the previous 8.1 percent.

The bank said, however, the decision of its board of directors did not affect loans from its Asian Development Fund, the ADB's soft loan window which carries only a service charge of one percent annual interest.

Syndication of the loan is almost complete, with the names of the participating banks known early next week.

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THIS IS the second major loan being sought by the CB under the 1980 consolidated foreign borrowing program, estimated to reach a total of $500 million. The first loan amounting to $200 million was availed of last February.

Five international institutions, the Bank of Tokyo, Bank of Montreal, Midland Bank of London, Chemical Asia Ltd. and the Arab Banking Corp., are the lead managers for the loan.

CSO: 4220

BANKS STOP LENDING; AWAIT NEW INTEREST RATES

Manila PHILIPPINES DAILY EXPRESS in English 24 Jul 80 p 12

[Article by George T. Nervez]

[Text]

THE impending restructuring of monetary policy and interest rates and the implementation of universal banking has prompted several big commercial banks to slow down their lending operations.

The slowdown in lending operations was noted despite the fact that the CB lending windows (rediscount and repurchase) remain open and the high liquidity position of the system as indicated by the prevailing low interbank rates.

Industry sources said that banks have taken this step to put themselves in an advantageous position if and when the interest rate and monetary policies are eventually revealed by the Central Bank. Moreover, they are believed shoring up their financial resources before they convert themselves into universal banks.

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AT LEAST six commercial banks have announced plans to raise their capital in line with their universal banking-operations. These are China Bank, Equitable Bank, Manila Banking, United Coconut Planters Bank, Consolidated Bank and the PCIBank.

Most of the banks have announced capital build-up programs up to P500 million to position themselves to become unibanks. The minimum capital requirement for a unibank is P500 million networth.

The latest to raise its capital structure is the Philippine Commercial & Industrial Bank (PCIB) which increased its authorized capital to P700 million from the present P300 million.

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THE capital increase consists of 50 million shares of common stock, 3.5 million shares preferred convertible stock and 16.5 million shares of serial preferred stock, all with par value of P10.

Initially the bank decided to issue 10 million shares out of the common stock to stockholders of record as of April 30, 1980.

This means that the bank will be able to raise immediately an additional P100 million paid up capital. As of March 1980, the PCIB's networth amounted to P299.7 million consisting of P190.8 million paid up, P96.9 million undivided profits, and P12 million surplus and surplus reserves.

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SEVERAL other banks, such as Far East Bank and Trust, Allied Bank and Security Bank are reportedly mapping out plans to join the universal banking bandwagon, either by raising the necessary capital required by themselves or through mergers with other institutions.

Thus far, only the state-owned Philippine National Bank (PNB) has been granted a universal banking license.

Another big private commercial bank, the Ayala-controlled Bank of the Philippine Islands, has absorbed the Commercial Bank and Trust Co.

The merger makes the BPI the largest private domestic commercial bank with total resources amounting to P7.5 billion. Combined networth (as of March 1980) amounted to P556.7 million.

CSO: 4220

$200-M LOAN SOUGHT FROM WB TO CORRECT PAYMENTS IMBALANCE

Manila PHILIPPINES DAILY EXPRESS in English 22 Jul 80 pp 1, 2

[Article by George T. Nervez]

[Text] The Philippines is seeking $350 million worth of loans from the World Bank to finance imports and for relending to financial institutions.

Finance Minister Cesar Virata said yesterday that negotiations were started last July 1 on a $200-million structural adjustment loan, a new lending program of the WB.

The loan will be used to pay for imports of capital goods intended for economic development projects. Peso proceeds from the WB loan will also be used to finance, among other things, the requirements of the Export Processing Zone Authority (EPZA).

Another proposed borrowing to be known as the "Apex loan" worth $150 million will be negotiated with the WB in January or February 1980.

Proceeds of the Apex loan will be relent to financial institutions such as the Private Development Corp. of the Philippines, the Private Investment Systems Organization (PISO) to finance projects in the private sector.

So far the country's external debt has reached a total of $11,049 million as of June 30, 1980, according to data made public by the Central bank.

Of the total amount $5.1 billion or 46 percent went to the private sector while the public sector and the Central Bank accounted for $5.486 billion or 50 percent and $439 million or four percent, respectively.

The country needs the additional resources because of the growing deficit in its merchandise trade (exports less imports) due to the increasing cost of imports, particularly oil.

As of June 30, 1980, the merchandise trade deficit had reached a staggering $973 million, despite strong gains made in the exports of sugar, mineral products, fruits and vegetables and nontraditional manufactured products.

CSO: 4220

BELGIAN LOAN FOR METRO RAIL SYSTEM

Manila PHILIPPINES DAILY EXPRESS in English 20 Jul 80 p 1

[Text] Florence, Italy--Another ste toward the construction of a modern light railway transit system in Metro Manila was completed Friday as the Philippines and Belgium signed an agreement of economic and technical cooperation. [as published]

The First Lady, Imelda R. Marcos, and Belgian Ministers Charles Ferdinand Nothomb, Robert Urbain and Paul Hatry s gned the agreement in Brussels granting a $40 million loan to the Phil ppines finance the commuter railway system. [as published]

Transportation Minister Jose P. Dans witnessed tne signing, which climaxed Mrs Marcos' three-day official visit in the Belgian capital.

Dans said the Belgian government will initially release $20 million to enable the Philippines to buy electrical equipment, trains, coaches and other related items from a consortium of Belgian firms.

After that, $5 million will be released annually for four years, the time it will take the project to be finished.

The agreement also provides for the training of Filipinos by Belgians in operating and maintaining the railway system.

Work on the project will start in the first quarter of 1981. It is expected to be completed by 1984.

The railway system will be 15 kilometers long, stretching from the Board of Air Transportation compound in Pasay City to the Bonifacio monument in Caloocan City.

Running two ways on an elevated platform, 14 to 15 feet above the road's center islands, the commuter train will pass Taft ave. and Rizal ave.

There will be 32 trains of two coaches each for a total of 64 cars. Each coach can hold 700 to 740 passengers, according to Dans.

During peak hours, he said the two coaches can carry 21,000 passengers per hour, traveling one way.

There will be 23 passenger stations, about 600 meters apart. Dans said the light railway transit system would relieve Taft and Rizal avenues of traffic and commuter problems by 90 percent.

Eventually, a light railway transit system 100 kilometers long would be built in and around Metro Manila, the minister added.

Shortly after the signing, Mrs Marcos had a private lunch with Belgian Queen Fabiola, Crown Prince Albert and Princess Paola.

King Baudouin was not able to join them because he was in the hospital.

While in Belgium, Mrs Marcos was accorded honors reserved only for heads of state. She also received a state decoration.

CSO: 4220

EQUIPMENT VENTURE ATTRACTS FERROSTAL

Manila PHILIPPINES DAILY EXPRESS in English 3 Aug 80 p 9

[Article by R. A. Liquicia]

[Text] The Board of Investments (BOI) is conducting exploratory talks with two German companies interested in investing in the planned heavy machining, fabrication and equipment/machinery assembly complex in the country.

One of the firms is Ferrostal, an internationally known company in the field of heavy engineering.

The BOI said it is still identifying other major foreign companies involved in heavy engineering which it may invite to take part in the planned project.

Industry Deputy Minister and Board of Investments vice chairman Edgardo Tordesillas said the government is taking a bolder step in its effort to attract foreign capital into the country.

"We do not wait for them to come to us, instead we will invite them over," he said.

The fabrication and assembly complex is one of the three projects envisioned by the government to develop the local heavy engineering industry.

The two others are the establishment of a heavy casting and forging complex and the improvement of "downstream" fabrication capability of the private sector.

The development of the local heavy engineering industry is one of the 11 major industrial projects ordered accelerated by President Marcos. The entire program for the heavy engineering sector is projected to cost about $200 million.

A Commission for Heavy Engineering Industries has been created (by LOI 950) to oversee the project.

The establishment of a local heavy engineering industry, the commission said, is "a critical factor in the implementation of the country's major industrial projects through domestic manufacture of substantial quantities of heavy equipment and heavy machinery."

CSO: 4220

SAUDI ARABIA IS STILL TOP MARKET FOR CONTRACTORS

Manila PHILIPPINES DAILY EXPRESS in English 2 Aug 80 p 6

[Text] Saudi Arabia remains the top market for Filipino contractors where work orders obtained during the first semester of this year amounted to $223.56 million, the Philippine Overseas Construction Board reported yesterday.

The POCB said Iraq is the second biggest market accounting for $16.69 million "but immediate prospects might confirm it to be the next bonanza market for Filipino companies."

It added that there are also substantial worth of contracts won in Indonesia and Libya while the rest are spread among North Yemen, Kuwait, Malaysia and Brunei.

The types of projects are roads, power, buildings, housing, industrial plants, bridges and such specialty works as air-conditioning, sanitary and painting works.

With the new work orders, the board said Filipino contractors now have current overseas contracts worth over $1 billion. Middle East countries, on the whole, accounted for majority of the foreign projects.

In Saudi Arabia alone, on-going Filipino projects are valued at $905 million representing about 80 percent of the Philippines' outstanding overseas work value.

Based on the aggregate value of existing contracts, the leading contractors are: CDCP $485.61 million; Erectors Inc. $167.80 million; Hydro Resources Contractors Corp. $147.90 million; Atlantic Gulf and Pacific Co. Inc. $60.52 million; and Landoil Resources Corp. $53.72 million.

Other companies with considerably large operations abroad are: Engineering Equipment, Inc.--$52.88 million; Asian Water and Sewer Systems, Inc. $46.54 million; Robjett Industrial Corp. $45.05 million, and R.C. Gonzales Inc.--$20.38 million.

Also operating overseas are: LM Camus Engineering Corp., F. Avanzado Construction Co., D.M. Consunji, Inc., Philrock Inc., Makati Development Corp., International Representatives and Contractors, Paces Industrial Corp., Alltech, and Zamboanga Realty and Development Corp. (PNA).

CSO: 4220

USSR BUYS 200,000 TONS OF SUGAR

Manila PHILIPPINES DAILY EXPRESS in English 17 Jul 80 p 12

[Text]

LONDON, July 15 – Sugar made a strong recovery in London today following reports that the Soviet Union had bought 200,000 tons from the Philippines, either directly or through trade houses.

Gains amounted to 27 pounds for raw sugar, with spot fixed at 262 pounds, but that was still 100 pounds below the five-year peaks at the end of May.

Likewise, "white" (refined) sugar advanced 20 pounds to 305 pounds, but was only just over 50 pounds below the 1975 peak.

According to one version, the Soviet purchase was for 1981 delivery, ranging from next May until September. But traders reported later than their counterparts in New York understood it was for "prompt" delivery, arranged through a US broker at 27 US cents a lb., which would enable the sugar to be shipped, delivered and processed before this season's Soviet beet crop was lifted (October/November onwards)

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JUST a month ago, it was reported that a Soviet delegation was in Manila, a visit that coincided with rumors that Yugoslavia may have defaulted over the delivery to the USSR of 100,000 tons.

Recently, European weather has been very wet, with Poland, a big producer with 1.6 million tons expected this season, reporting saturated fields and root crops affected.

Concern is also being expressed about Cuba's cane crop, said to be affected by disease, labor problems and mechanical failures.

Any shortfall from this major supplier to the Soviet Union would have a direct bearing on Russian imports, it was pointed out.

Over the course of the 1979-80 season, it is estimated, the Soviet Union has already imported two million tons of sugar, to augment its poor crop last year. (AFP)

CSO: 4220

TRADE WITH EAST GERMANY IMPROVED

Manila PHILIPPINES DAILY EXPRESS in English 28 Jul 80 p 22

[Text] Trade between the Philippines and the German Democratic Republic (East Germany) has improved considerably reaching more than $22 million during the first quarter of 1980.

During the first quarter of 1979, trade between the two countries amounted to only $11 million.

The increase was traced mainly to the participation of Philippine firms in the Leipzig Trade Fair last March.

Karl Heinz Starke, GDR's commercial attache to the Philippines said Phividec alone was able to win a $4.5 million contract for the supply of 1,400 tons of coffee beans.

This makes the Philippines a significant exporter of coffee to East Germany which has an annual consumption of 55,000 tons. Other major coffee suppliers to the GDR are Africa and Brazil.

Starke said that the forthcoming spring version of the Leipzig Trade fair, one of the world's biggest and important trade exhibitions attracts at least 6,000 exhibitors of major products ranging from chemicals to machinery and consumer goods. The fair starts on August 31 and is held twice a year with 50 countries participating.

Starke also said that since the signing of a trade agreement with the Philippines in 1977, arrangements have been made to supply the Philippines with textile plants and equipment, graphic arts materials, office equipment, scientific instruments and equipment and technology for open coal mining.

CSO: 4220

OIL IMPORT BILL TO GO UP BY $1 BILLION

Manila PHILIPPINES DAILY EXPRESS in English 22 Jul 80 pp 1, 3

[Article by Sammy Senoren]

[Text] **PHILIPPINE** oil payments to foreign suppliers will increase by at least $1 billion in 1980 as a result of a string of price increases imposed by the Organization of Petroleum Exporting Countries, updated government estimates showed yesterday.

The additional cost would bring the country's total oil bill for a year to $2.6 billion, according to the Ministry of Energy.

In 1979, the country's oil bill stood at only $1.6 billion.

To recover the additional payments, local oil companies need to add 25 centavos per liter to existing prices of petroleum products.

This amount is on top of the 51-centavo-per-liter increase (excluding taxes) that was granted to oil companies in February this year.

The projected increase of $1 billion reflects only a minimal increase in national consumption.

This year, the ministry expects oil consumption to increase by less than 500,000 barrels for a year-end consumption figure of 85 million barrels.

In 1979, total oil consumption was recorded at 84.6 million barrels.

Earlier estimates said that the oil bill for 1980 would range from $2.1 billion to $2.4 billion. The estimates were revised after OPEC countries agreed on a floor price of $32 per barrel and a ceiling price of $37 per barrel.

This means suppliers' prices can seesaw between $32 and $37 per barrel. In fact, there were some price reductions during the past week.

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MEANWHILE, the ministry has scheduled public hearings before implementing specific provisions of the recently passed Omnibus Energy Act. The hearings, called for by act, will be held at the Ministry of Labor in Manila from July 23 to 30, at Southwestern University in Cebu on August 4, 5 and 6 and in Davao City at the provincial capitol on August 7, 8 and 9.

The scheduled hearings will take up the standby powers of the ministry as spelled out in the Omnibus Energy Act.

The Act empowers the ministry:

1. To establish and administer a fuel allocation and rationing program.

2. To require at reasonable profit levels, the distribution and sale of alcogas or other energy blend.

3. To set standards of energy conservation for oil powers or electric-driven machinery, equipment, appliances, devices and vehicles.

4. To require industrial, commercial and transport entities to collect waste oil for recycling.

5. To fix the oil refineries production yield and product quality.

6. To require industrial, commercial and transport establishments to submit fuel and electric consumption reports.

INFRASTRUCTURE PROJECTS IN SOUTH DISCLOSED

Manila PHILIPPINES DAILY EXPRESS in English 26 Jul 80 p 2

[Text] ILIGAN CITY — The ministries of public works and human settlements have constructed some 2,000 BLISS units in Muslim areas and part of Misamis Oriental, Public Works Deputy Minister Aber P. Canlas said yesterday.

The BLISS projects, one of the basic human needs initiated by the First Lady, Imelda Romualdez Marcos, have sprouted like mushrooms in several barangays in the provinces of Misamis Oriental, Lanao del Norte and Lanao del Sur.

Canlas, who inspected infrastructure projects in the Muslim areas, said that in eight towns and a city in Lanao del Sur, the government has established 500 units of BLISS projects in the following towns: Saguiaran, 50 units; Marawi City, 50 units; Balindong, 50; Tagaya, 50; Makadar Lumbatad, 100 units; Bobong, 50 units; Amparan, 50; and Malabong, 50 units.

He said reports from Romeo Songkit and Hadji Isah, district and assistant district engineers of Lanao del Sur, respectively, showed that the government has also put up Level III water systems in seven towns. These towns are Tuburan, Marugong, Malabog, Pagapo, Saguiaran, Patakon Taraka and Balindong.

Director Jose Tapiritu, of the Bureau of Water Supply who accompanied Canlas in the inspection tour, said that under the Level III water project, individual houses will be provided with running water coming directly to their homes.

At the same time, Songkit also informed Canlas that the Ministry of Public Works is currently completing some 30 units of three-room school buildings for the needs of elementary schools in the area, 15 of which have already been completed as of June.

Also under way in several barangays in Lanao del Sur, Songkit said, is the construction of 20 units of artesian wells at a total cost of P687,000, and the rehabilitation of 15 units of artesian wells at a cost of P4,000 each.

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ISAH informed Canlas that a rural health unit in Maranao has already been completed at a cost of P193,000 while another barangay health station costing approximately P177,000 is currently being constructed in Makadas and Lumbatan. Also completed is the health station in Puwaklaklaguiaran, Lanao del Sur.

CSO: 4220

BOI REQUIRES POWER-INTENSIVE PROJECTS TO USE COAL

Manila PHILIPPINES DAILY EXPRESS in English 26 Jul 80 p 9

[Article by Rosario Liquicia]

[Text]

THE BOARD of Investments (BOI) will now require firms having power-intensive projects to use coal or any other non-conventional energy source before they are granted of incentives.

The requirement will apply to projects that are seeking government incentives, but will not affect projects which are already approved and registered with the BOI.

The BOI move is in line with the government's drive to encourage the use of non-oil energy sources such as coal, mini-hydro turbines, and geothermal.

Among the power-intensive industries are the cement and mining sectors.

IN THE case of the cement industry, the shift-to-coal program for existing cement factories is now underway. At least three plants have converted to coal from bunker fuel.

New cement factories that will be set up, on the other hand, will also be coal-fired.

At least two mining companies plan to shift to coal from diesel fuel. These are Atlas Mining and Marinduque Mining.

Ongpin said, firms that are now receiving government incentives can shift to coal or other energy source at their own discretion and initiative.

For those that will still apply for incentives, the use of coal-fired plants is mandatory, he added.

UNDER the BOI's energy priorities program (EPP), the following are entitled to incentives

- Manufacture of mini-hydro turbine generators,
- Alcohol production for fuel,
- Manufacture of solar water heaters,
- Manufacture of standardized biogas equipment,
- Power production using non-conventional fuels,
- Conversion to coal, geothermal and other non-conventional fuels.

CSO: 4220

NDC EARMARKS P225-M FOR GOLD MINE REHABILITATION

Manila PHILIPPINES DAILY EXPRESS in English 21 Jul 80 p 18

[Article by Rosario A. Liquicia]

[Text]

THE state-owned National Development Co. (NDC) has earmarked P225 million for the rehabilitation of existing gold mines and the re-opening of "pre-war" mines which have been abandoned by their operators due to lack of operating capital.

The financial assistance will come in the form of equity in gold projects which the government plans to support in view of the present high price of gold in the world market.

Of the P225 million earmarked for the gold mining industry, P37.5 million may be used this year as it is part of NDC's 1980 budget.

THE Bureau of Mines and Geosciences (BMG), however, has yet to announce its program for "pre-war mines."

Although the government has already drawn up a financial assistance scheme for these projects, the mines bureau still has to identify what projects need to be re-opened.

The decision to re-open abandoned gold mines came after the price of gold in the world market started to soar.

INITIAL findings of the mines bureau indicate that some of the pre-war mines are now flooded and difficult to operate. In fact, the mines bureau said it will not be economical to re-open some of them.

These gold projects, found in several parts of Masbate and Surigao, have been abandoned by their operators because of lack of operating capital.

NDC'S assistance to the mining industry is, however, not confined to the gold mining sector alone. The government company will also provide capital to other mining projects that would need funding.

The NDC is earmarking P450 million for other mining projects, P37.5 million of which is also expected to be disposed of by the government firm in 1980.

CSO: 4220

NO DELAY PROMISED ON 11 PROJECTS

Manila PHILIPPINES DAILY EXPRESS in English 28 Jul 80 p 24

[Article by Rosario Liquicia]

[Text]

THERE will be no delay in the implementation of the 11 major industrial projects despite threats of a worldwide recession, industry Minister Roberto V. Ongpin said over the weekend.

"These projects are antidotes against recession. That's why we have to proceed without delay," he said.

Defending theprojects against criticisms that they would upset the country's foreign exchange position, Ongpin emphasized that these industrial projects would make maximum use of foreign capital, especially suppliers' credit.

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ACCORDING to the 75-25 debt-equity rule, only $1.3 billion out of the $6 billion capital requirement for the 11 projects will be in the form of equity. The balance of $4.5 billion will be funded by foreign debts, Ongpin said.

The country's industrialization program can finance itself, he added. These projects will not rely on major budgetary appropriations unlike infrastructure projects, Ongpin added.

Besides, almost all the 11 industrial ventures will be undertaken by the government in joint venture with big foreign companies, he said.

At the same time, he cited the projects' income generating potentials. By 1984, he stressed, the country will be earning at least $200 million / annually in foreign exchange from exports of products manufactured or processed by new industrial projects.

THE 11 projects are the copper smelter, phosphatic fertilizer plant, aluminum smelter, pulp and paper complex, petrochemical complex, diesel engine project, integrated steel mill, the heavy engineering project, coconut rationalization program, rationalization program for selected industries, and the program for non-conventional energy sources such as alcogas.

Of the 11, five are now in the implementation stage while the rest are still in the planning stage but are expected to be implemented within the next five years.

Some of these projects will be supported by World Bank funds.

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ONGPIN also noted that industrial development will be enhanced by the introduction of unibanking in the country.

Under the program, available capital can be "efficiently marshalled" to finance more industrial projects, he added.

CSO: 4220

ADB OKAYS $21-M MINDANAO POWER PROJECT

Manila PHILIPPINES DAILY EXPRESS in English 28 Jul 80 p 15

[Text]

THE ASIAN Development Bank (ADB) is considering loans estimated at $21 million to the Philippine government for power transmission and extension projects of the National Power Corp. in Mindanao.

Ivan Zimonyi, head of a three-man ADB investigation team, said the power development projects of the NPC in Mindanao are under study by the bank for possible financing.

These projects are the 138 kilovolt extension line from Butuan to Surigao, the Butuan reinforcement line and the General Santos grid.

The combined cost of the three projects, Zimonyi said, is estimated at $35.5 million with ADB providing a counterpart of 21 million in foreign currencies. The balance, he added, will be raised by the government from local or domestic sources.

The ADB official said the Butuan-Surigao project, with an estimated cost of $19 million, shall get the bulk of the bank's funds at about $10 million.

"If all goes well, the project will commence in 1981 and will be completed in two years," he said.

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THIS PROJECT, he added, envisions the stringing of industrial lines from Butuan to Surigao to bolster available power in the area and is different from the NPC transmission line project from Calaodbana to Surigao which is expected to be completed late September this year.

The Butuan extension and General Santos grid of NPC also presented for ADB funding, have a total budget of $16.5 million with some $10.2 million coming from the bank, according to Zimonyi.

Butuan will be

recipient of $6.4 million with Gen. Santos possibly getting $3.8 million.

Feasibility studies for all these projects have been completed except for additional actual field investigators of the areas involved, the visiting ADB official, who is also a financial analyst, he said.

He said these power development projects of the government in Mindanao, in the face of the energy crunch, will not bring about the lighting up of the dark hinterlands of Mindanao by bringing down the high cost of power to reasonable levels but hasten the industrial growth of the region.

Zimonyi also said ADB is currently involved in funding projects in the so-called power development sector, although it is eyeing other sectors such as road networks, agriculture, industries and development programs in the region.

ZIMONYI and his companions, Joseph Clarke, engineer, and Akio Kawai, country officer, conferred with Vicente Y. Calejesan, president of the Surigao del Norte Electric Cooperative (SURNECO), who briefed them about the cooperative's operations, financial standing and the energy requirements and consumption of this city and province of Surigao del Norte.

Calejesan told the ADB mission that Surigao has a potential power demand from heavy and light industries of roughly 13.1 megawatts which his cooperative cannot at present supply.

Calejesan accompanied the ADB team to a tour of the SURNECO power plant in the outskirts of the city and showed them what he called "the old-vintage" engines of the cooperative. (PNA)

CSO: 4220

DAVAO PORT WILL BE OPERATIONAL IN OCTOBER

Manila PHILIPPINES DAILY EXPRESS in English 4 Aug 80 p 22

[Article by German Lim]

[Text]

" THE much delayed P46.8 million Sasa port in Davao City will be made operational in October with the completion of the 405.15-meter wharf and the reclamation of 7.3 hectares of land areas, Public Works Minister Alfredo L. Juinio said yesterday.

The port project, started in 1976, has remained one of the longest ports under construction because of the shortage of materials which still have to be imported from foreign sources. Though a portion of the wharf has been used on and off, it has not really been completed to fully serve the shipping needs of the city.

Fernando Lagman, Region XI director informed Juinio that the project is part of the port development program of government to fully utilize the potential of the wharf to serve the transportation requirement of the area.

When fully operational, the wharf is capable of serving the berthing needs of nine ocean-going vessels simultaneously, not to mention domestic shipping which ranks as among the biggest beneficiaries of the port.

Aside from the shipping needs of the area, the completion of the port will also lead to the promotion of the fishery and industrial activities in Region XI which include among others, the provinces of Davao del Norte, Davao Oriental, Davao del Sur, Surigao del Sur, Davao City and other areas nearby.

Among the remaining requirements to make the wharf fully operational is the construction of reinforced concrete and steel sheet piles walls, fencing and asphalting of 14,000 square meter strip along the existing quay.

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IN a related development, the government has released another P2.5 million for the completion of another port in Davao City - the Sta. Ana port which has also been delayed because of inability of Philippine Port Authority to provide the needed funds to complete the project. What is required of the project is the splicing of the concrete piles which have rusted due to years of neglect as a result of funds shortage.

According to Public Works Deputy Minister Aber P. Canlas, the P2.5 million will help resume construction of the project which has been abandoned when the new public works ministry took over early in 1979 after the abolition of the defunct Ministry of Public Works, Transportation and Communications and the Bureau of Public Works.

Canlas said he will urge the PPA to pour additional funds to the Sta. Ana pier construction to make the port operational before the end of 1980. The contractor, G.A. Thongco, has earlier requested officials of the defunct Bureau of Public Works to have his firm complete the pier at its own expense so that the materials pour into it would not go to waste.

CSO: 4220

SUPPORT PRICE OF CORN, SORGHUM, SOYBEANS RAISED

Manila PHILIPPINES DAILY EXPRESS in English 31 Jul 80 p 6

[Text]

PRESIDENT MARCOS increased yesterday the support prices for corn, sorghum and soybean to boost production of these cereals and enable farmers to cope with increased production costs.

This means that the government and private traders now will have to pay higher prices for these products, thus assuring farmers a fair return on their investments.

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THE NEW support prices as contained in Letter of Instructions No. 1046 are:

- From P1 to P1.10 per kilo for corn.
- From 90 centavos to P1 per kilo for sorghum.
- From P2.80 to P3.55 per kilo for soybean.

The price support for palay was increased from P1.30 to P1.40 per kilo last May.

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THE PRESIDENT'S directive is expected to encourage greater production of the cereals, which are the principal ingredients in the manufacture of animal feeds.

The last adjustment in support price for soybean was made a year ago, and for sorghum about three years ago.

The President noted the increase in the cost of inputs such as chemicals, pesticides and fertilizers in the production of corn, sorghum, soybean and even palay.

He also said that a similar increase in processing, handling and marketing costs of grains traders has been prompted by the recent increases in oil prices.

Meanwhile, Administrator Jose Tanchanco of the National Grains Authority has called for vigorous government-private sector effort to bring down food prices as there appears to be no relief in sight to inflation.

One way to achieve this, he said, is by increasing productivity which, by and large, influences the cost of basic commodities made available to the people.

Addressing the monthly luncheon meeting of the Chamber of Food Manufacturers yesterday at The Plaza in Makati, Tanchanco pointed to the need for producers and manufacturers "to consider the plight of our countrymen in these times of escalating costs of basic needs and services."

For its part, he said, the government is embarking on every conceivable means of helping the consumers, the Kadiwa project of the First Lady and Human Settlements Minister Imelda Romualdez Marcos being one of them.

"Of course you are all aware of the transformation of the Philippines from a rice-importing to a rice-exporting country following the success of Masagana 99. It is in the same fashion that the government tries to attain self-sufficiency in other food industries," Tanchanco said.

He said the PTI-NGA Kadiwa centers, now numbering 72 throughout the country, have become popular among the housewives and have actually helped stabilize the prices of basic food commodities.

He added that part of the success is attributable to the food manufacturers who have been supplying the Kadiwa centers at reduced prices.

In turn, he said, the government thru the Food Terminal, Inc. can assist private companies in the area of marketing, quality control, acquisition of raw materials and the upgrading of food standards to meet international requirements.

CSO: 4220

BRIEFS

NEW BUSINESS TAXES CRITICIZED--Many of our so-called tax experts are worse enemies of the New Society than the NPAs, the communists and all the rebels of the MNLF. They have achieved tyranny without even imposing any new tax. Merely proposing stupid, oppressive taxes did it. The proposal to slap a capital gains tax on stock market profits is classic. The one-fourth of one percent stock transfer tax was the idea of President Marcos. It is a tax in lieu of the capital gains tax. It is not true that there is no capital gains tax on stock transactions. Now, the proposal is to keep this one-fourth of one percent tax and add a capital gains tax on profits without allowing losses to be deducted. This is confiscatory and cruel. Even the Japanese Imperial regime did not have as tyrannical a tax. Another stupid proposal is that one limiting the deductions for promotional activities of business firms and advertising agencies. The government has no business telling businessmen how to conduct their businesses. If this proposal is adopted, there would be no advertising business to tax. No advertising business will survive this stupidity. And many business firms will lose money--so there's no tax coming. [Excerpt] [By Teodoro F. Valencia] [Manila PHILIPPINES DAILY EXPRESS in English 25 Jul 80 p 4]

POULTRY VENTURE--The Board of Investments (BOI) has approved the P186.8-million poultry(expansion)project of San Miguel Corp. and the P38.86-million meat processing venture of Vitarich Danish Foods Inc. The poultry project of SMC has an expanded annual capacity of 22,272 MTDW, to be produced in both of its project sites in Laguna and Quezon. The expansion project is expected to generate employment for 635 individuals. The meat processing project of Vitarich on the other hand, will have a capacity of 4,380 metric tons a year. The firm's entire production will be geared for the domestic market, hence the project is expected to result in foreign exchange savings of $4.4 million for the first three years of operation. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 22 Jul 80 p 10]

KAWASAKI, KAWATETSU FORM COMPANIES--Tokyo, July 21--Kawasaki Steel Corp. and Kawatetsu Mining Co. have jointly inaugurated a wholly owned subsidiary in the Philippines to produce and sell dolomite, a secondary material in steelmaking, Kawasaki Steel said today. The joint firm, Philippine Mining Service Corp., will produce about 360,000 tons of dolomite on Cebu island and sell all of the output to Japan under a service contract with Dolomite Mining Corp., the holder of mining lease on dolomite deposits. The Japanese steel industry's dolomite consumption totals about 3,000,000 tons a year. (AFP) [Text] [Manila PHILIPPINES DAILY EXPRESS in English 22 Jul 80 p 18]

NEW COAL PROGRAM--The Atlas Mining and Development Corp., one of the country's biggest mining firms, is embarking on a $70 million coal conversion program later this year in line with the government's energy programs. At present, the company operates two coal fired and several diesel fuel-fired boilers to supply its requirement of 100 megawatts. The program, which will be undertaken over a period of 18 months, seeks the conversion of the diesel fired boilers into coal fired boilers to enable the company to save on its fuel costs. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 22 Jul 80 p 10]

COPPER PRODUCTION INCREASE--Spurred by the high prices of metals in the world market, local mining companies produced 110,906 metric tons of copper during the first four months of this year, up by 16.7 percent from the output during the same period last year. Gold production was also in the upswing with production at 6,599 kilograms, an increase by 20.9 percent. This was disclosed yesterday by the Chamber of Mines of the Philippines. [Excerpt] [Manila PHILIPPINES DAILY EXPRESS in English 31 Jul 80 p 10]

GEOTHERMAL PLANT IN PAMPANGA--Porac, Pampanga July 25--A team of geologists from the Ministry of Energy and government-owned Philippine National Oil Company today started an initial survey of Mt Negron, 12 kilometers west of this town, for possible setting up of a geothermal plant. The government team earlier were briefed by Mayor Ceferino Lumanlan on the existence of several hot springs in the Mt Negron area on the foothills of the Zambales mountain ranges. The government geologists together with a team of reporters covering Central Luzon, flew to the area by helicopter to conduct geophysical survey of the area and to analyze the potentials of the springs. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 26 Jul 80 p 2]

GERMANS EYE ALCOGAS--A big German business group has started talks on a possible joint venture arrangement with a local automotive company that has pioneered in the use of alcogas. The German firm, Incom Alagentechnik of the Sogex Int'l. Ltd. group will introduce a newly-developed technology that allows small and medium sized production plants to produce alcogas out of sugarcane and sweet sorghum. The new process was developed by German Diplomingenieur John Ballweq. It used the thermal treatment process which reportedly uses less energy than the conventional roller milling process. The new system, Ballweq claims, is more efficient and economical for alcogas production in the rural areas. It allows co-processing of sugarcane and sweet sorghum. Ballweq is in town to initiate the joint venture arrangements with an unidentified Filipino-owned automotive firm. [Text] [Manila PHILIPPINES DAILY EXPRESS in English 20 Jul 80 p 15]

CSO: 4220

CIVIL RIGHTS MOVEMENT SCORES PRESS COUNCIL PROPOSAL

Calcutta THE STATESMAN in English 20 Jun 80 p 5

[Text] Colombo, June 19--The reported proposal by the Press Council to amend the Newspapers Ordinance to require all newspapers to provide for insurance guarantees has been described by the civil rights movement of Sri Lanka as being "inconsistent with not only our own constitution but also with the international covenant on civil and political rights which Sri Lanka has just signed."

The statement issued by the civil rights movement said: "The fact that insurance is a State monopoly in Sri Lanka will give any Government a potent weapon to stifle freedom of expression. The State in the form of insurer, will not only decide on the amount of the premium but also will lay down the conditions with which the newspaper must comply. In effect, the State can thu determine who may publish a paper, and who may not. State control of he media thus becomes total."

"To treat every paper as potential lethal object like a motorcar which must be insured against third party risks is a strange idea which is not, so far as the CRM is aware, known elsewhere. (Voluntary insurance practised by some large newspaper concerns is an entirely different matter.) This concept ignores the basic role of newspapers in the freedom of expression and freedom of political activity in a democratic society. They cannot be treated on a par with other consumer goods or business enterprises.

"Nobody contends that a newspaper has a right to defame or to vilify but the proposed remedy is totally disproportionate and will result in a far greater ill. The new law would place the monetary interest of a few potential individual victims of defamation above two very much more important interests, namely the right of the public to receive its news from a wide variety of sources and the right of every person or group; powerful or weak, rich or poor, to communicate with others by publishing a paper."

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Sept. 16 1980